



Keys to the future

How we build a new era of community ownership

July 2026



Contents

About the authors	03-04
Executive summary	05-10
1. Introduction	11-17
2. Research methods	18-22
3. Research findings	23-34
4. Criteria for future success of community ownership	35-42
5. Mapping the options	43-49
6. Realising ambitions - our calls to action	50-57
Appendix - Funding directory analysis	58-63
Endnotes	64-65

About the authors



Locality is the national membership network supporting local community organisations to be strong and successful.

Community organisations support local people in a local area over the long term. They are unique because they support and champion a specific place. They come in all shapes and sizes – small and large, urban and rural – and often operate from spaces like community centres, parks, libraries, cafés, and leisure facilities. They run a range of services that their community needs most across housing, employment and skills, health and wellbeing, arts and culture, the environment, and more. We refer to our most well-established, multipurpose members as community anchor organisations.

We provide specialist advice, peer-learning, resources and campaigns to help every community thrive, including to create connections and opportunities and to take over and run assets for the benefit of local people. We believe that when communities come together, they can transform lives and build a fairer society.



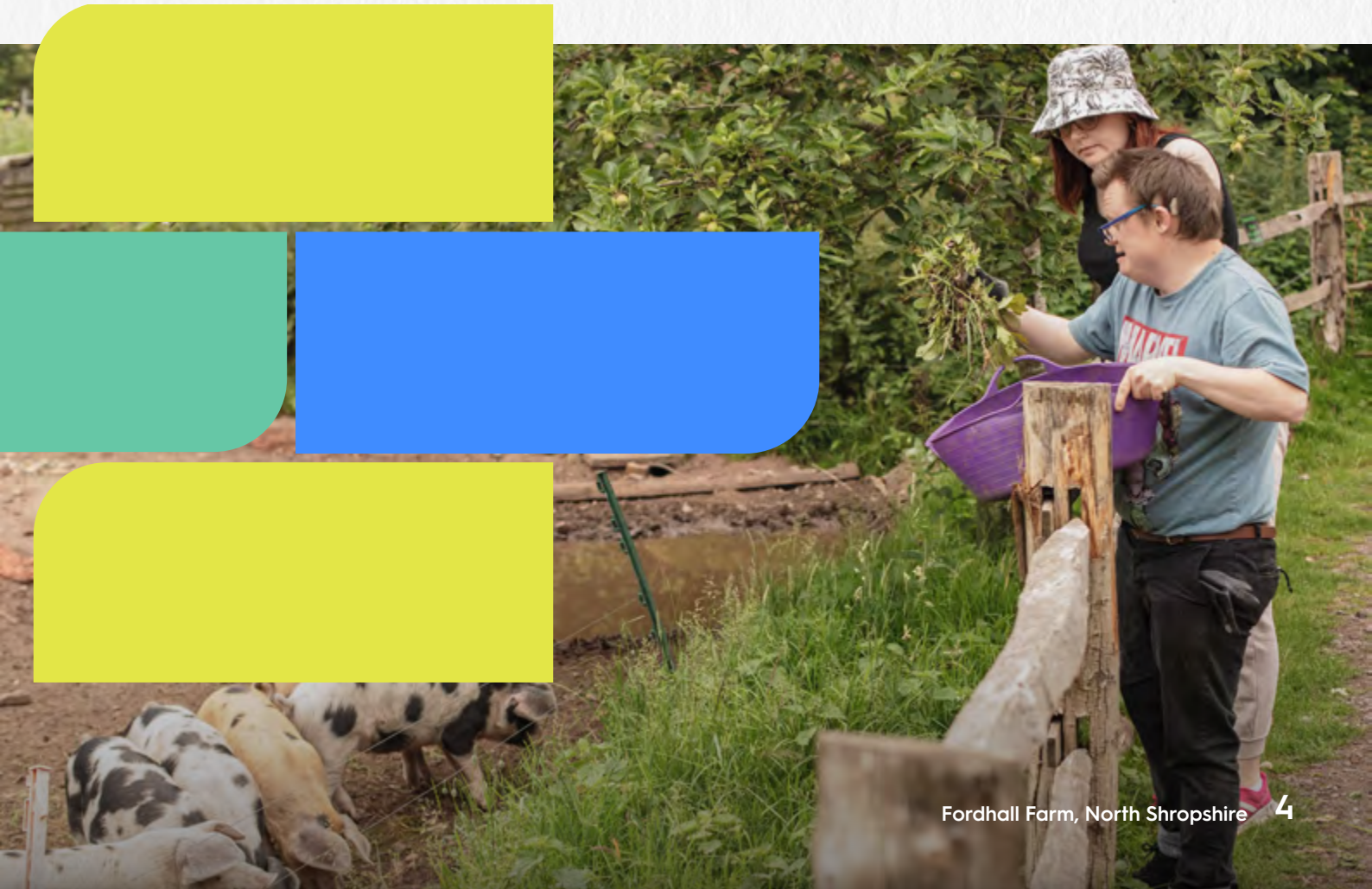
Power to Change

Power to Change is the think-do tank that backs community business from the ground up. We turn bold ideas into action, so communities have the power to change what matters to them.

Community businesses come in all shapes and sizes and are run by local people for the benefit of the local community. This could be a fish and chip shop, the local pub, the organisation providing employability support for young people, the local cleaning company, or the organisation leading the transformation of your neighbourhood, developing affordable housing, helping turn around the town centre, or putting on gigs and exhibitions. Community businesses trade goods and services like any other business. What distinguishes them is that they are locally rooted, provide the community a genuine say in how the business is run, and keep money circulating within that community.

We know community business works to build stronger communities and better places to live. We've seen people create resilient and prosperous local economies when power is in community hands. We also know the barriers that stand in the way of their success.

We're using our experience to bring partners together to do, test and learn what works. We're shaping the conditions for community business to thrive.



Executive summary

Introduction

Community ownership has never enjoyed greater political support. Across successive governments - from New Labour's community asset transfer mechanisms to the coalition's Community Right to Bid, from the Conservatives' Community Ownership Fund (COF) to the current Labour government's Community Right to Buy (CRTB) - a durable cross-party consensus has formed. Community ownership is increasingly recognised as foundational to community power and essential for building thriving neighbourhoods.

Yet financial support has consistently lagged behind this political commitment. The COF closed prematurely and no replacement was prioritised in the 2025 Spending Review. The recent announcement in June 2026 of a "Pride in Place Community Right to Buy Fund" (CRTBF) establishes the principle that rights without resources are not enough and provides some crucial cash. But at £61m, it can't come close to addressing pent up demand already in the system, let alone a fresh wave of projects unleashed by the CRTB.

This report sets out a clear-eyed assessment of the current landscape and a roadmap for the future. These are grounded in two crucial insights drawn from our research:

1. Community ownership matters

The case for community ownership goes far beyond protecting buildings. Community-owned assets contribute nearly £220m annually to the UK economy,¹ with every £1 generated creating approximately £2.50 in local economic value.² Projects supported by the COF leveraged an additional £2.26 in local investment for every £1 of government grant.³ Community spaces also reduce social isolation, improve health outcomes, strengthen social cohesion, and provide inclusive employment - particularly in areas of high deprivation.^{4,5,6,7}

However, these positive benefits have been hidden behind an "austerity framing" - focused on saving assets at risk rather than realising their transformative potential. Community ownership should be understood as a proactive tool for growing economies and creating strong, healthy communities, not merely a reactive response to public sector decline. This is borne out throughout this report in case studies on the real-world impact of community ownership in places across the country.

every £1

+

£2.26

Community Ownership Fund leveraged an additional investment for government grants³

2. Demand is vast; supply is failing

The scale of unmet demand is striking. Our analysis shows that the COF received approximately 3,800 eligible expressions of interest totalling £1.8bn - **more than 12 times oversubscribed on available funding**. Partners from the COF support provider consortium⁸ report over 1,000 groups (and likely growing) at varying stages of readiness, with capital requirements typically ranging from £50,000 to over £800,000.

The CRTB will intensify this demand considerably. We estimate approximately **190,000 potential assets could fall within scope** under new definitions. Based on conservative projections, we anticipate 1,200 to 1,600 Asset of Community Value (ACV) applications inspired by the CRTB over the next one to two years - representing funding requests that could exceed the entire CRTBF allocation by more than nine times.

Further research findings

Our research - combining detailed analysis of the COF support programme with desk research, roundtables, and consultations with 36 stakeholders across government, funders, social investors, infrastructure bodies, and community organisations and businesses - identified further core findings:

- ☀️ **Stubborn barriers remain.** Early-stage revenue funding is chronically insufficient, particularly in disadvantaged areas where local fundraising is difficult and any programme match-funding requirements - such as were in place for the COF - can be prohibitive. Planning delays, complex conveyancing, and over-reliance on volunteer capacity create vulnerabilities. Asset owners can also prolong negotiations or inflate prices.
- ☀️ **Support needs are growing more complex.** Many groups entering the pipeline are at an early stage, with limited experience of asset management, governance, or financial planning. At the same time, the projects they are expected to deliver are increasingly complex, capital-intensive, and exposed to inflationary pressures. Community assets are frequently described as “liabilities masquerading as assets”, and business models reliant on narrow margins and significant debt are under severe strain.
- ☀️ **Coordination is chronically lacking.** Funders, intermediaries, and public bodies often operate in parallel rather than in concert. The COF support provider consortium was widely cited as a rare and valuable model of cross-sector collaboration. There is strong appetite to rebuild and formalise this coordination, nationally and regionally.

The Community
Ownership Fund was

more than **12x**

oversubscribed

Around
190,000

potential assets could
fall within scope of the
Community Right to Buy

- ☀️ **The COF was flawed but important - and its closure has caused real harm.** The COF combined capital and revenue funding with wraparound support in a way that unlocked projects that would otherwise not have progressed. However, rigid timelines, short spending deadlines, and limited post-acquisition support created unnecessary pressures. Its sudden closure has left many projects stranded, with permanent loss of some assets to private ownership and no single strategic funder stepping into the gap.
- ☀️ **Equity is absent.** Despite lobbying from the sector, equity was not a design principle of the COF. Without acknowledging that different communities start from different, unfair positions because of systemic and structural inequality and taking targeted action to achieve fair outcomes, the benefits of community ownership risk accruing primarily to more affluent, well-resourced areas. Specialist infrastructure organisations serving minoritised or rurally isolated communities need to be embedded in programme design and delivery. Current data collection on protected characteristics is inconsistent, limiting the sector's ability to identify and address structural disadvantage.
- ☀️ **Local authorities are critical but inconsistent.** Councils can either enable or block community ownership. Experiences of ACV and Community Asset Transfer (CAT) processes vary significantly across regions, with inconsistent approaches to valuation, leases, and conditions. Some councils continue to prioritise short-term financial returns over long-term social value. Positive examples - including Bristol, Calderdale, Kirklees, and Greater Manchester - demonstrate what is possible when community ownership is embedded in wider local strategies.
- ☀️ **Funding design must improve.** A blended approach is needed that combines grants, social investment, and community finance. Within this, grant-to-loan ratios should reflect project risk and local context, with longer repayment periods available, and greater flexibility as projects evolve. Early-stage revenue funding for feasibility, legal work, and capacity-building remains one of the most acute gaps, alongside long-term (25-year-plus) funding for sustainable operation.



Three scenarios for the future

We have mapped three possible futures for community ownership support, assessed against five tests: whether they foster economic and environmental as well as social benefits; whether they are inclusive of diverse asset types; whether they offer patient, flexible funding at scale; whether they support equity and provide complementary non-financial interventions like advice and support; and whether they clarify and promote local government's role and complement national government priorities.

- 1. The basic scenario** (individual-level response) involves modest rationalisation of the existing landscape - a single point of access for communities, greater local authority focus on CAT, and better alignment with existing programmes such as Pride in Place. Even with the new Community Right to Buy Fund, however, this would leave the vast majority of demand unmet and deepen "double disadvantage" in deprived communities. This scenario fails the majority of tests.
- 2. The intermediate scenario** (sector-level response) involves philanthropic funders and social investors coordinating resources alongside non-financial support, a strong launch campaign for the CRTB and Fund, and strategic authorities embedding community ownership in local growth plans. This would be a significant improvement but would still only partially meet the five tests.
- 3. The ambitious scenario** (system-level response) involves central government developing a **National Community Ownership Strategy** and catalysing a **£1bn community assets fund over the next five years**, drawing together philanthropic capital, social investment, and public funding. It includes early-stage development funding, a coordinated non-financial support infrastructure, and community ownership embedded across government priorities - from housebuilding and neighbourhood health to renewable energy. This scenario could support several thousand asset projects over five years - with an estimated £475m in net gross value added (GVA) to the economy - and kickstart a decade of transformative investment. It meets all five tests.

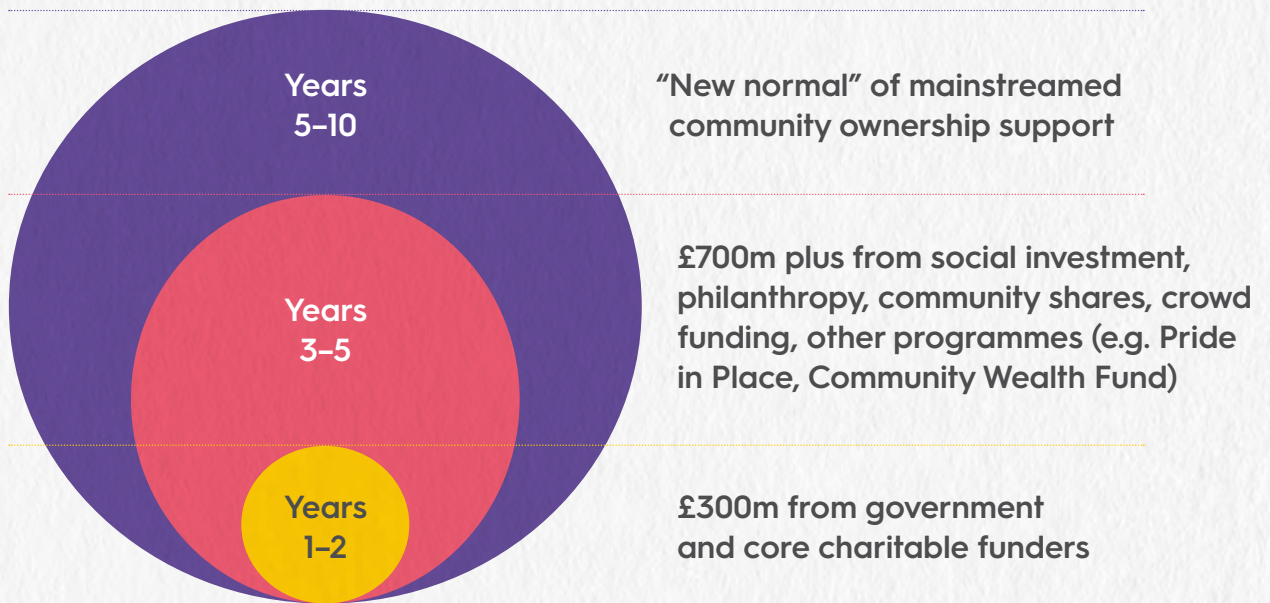
Nobody consulted for this research wanted to accept the basic scenario. The intermediate scenario would be a meaningful step forward; but the ambitious scenario is what is needed to fully realise the potential of this agenda.

Calls to action

To achieve this, we are calling on a range of partners to act over the next five years:

- ☀️ **National government** should build on the CRTBF to achieve a total commitment of **£200m at the Autumn Budget 2026, catalysing cross-sector investment to achieve a broader £1bn fund**. It should also **develop a National Community Ownership Strategy** through the Ministry of Housing, Communities and Local Government working cross-government. Community ownership should be mainstreamed, including across the Pride in Place Programme, the Community Wealth Fund, neighbourhood health centres, housebuilding, and the Local Power Plan. The Office for the Impact Economy should play an active role in crowding-in investment.
- ☀️ **Trusts and foundations** - led by major players such as The National Lottery Community Fund - should commit to a dedicated fund for community ownership, with **an initial investment of around £100m** capable of crowding in further co-investment over time.
- ☀️ **Social and impact investors** should **deploy coordinated blended finance that pairs grant and loan funding according to project stage and local context**, enabling affordable repayable finance for mature projects and grant support for earlier-stage and more deprived areas.
- ☀️ **Community shares** - which have raised over £230m from more than 175,000 people in the past decade - should be **expanded as a key mechanism for community ownership**, leveraging institutional matched equity support through instruments like the Community Shares Booster Fund.
- ☀️ **Local and strategic authorities** should **develop community asset strategies** that position communities as the first port of call for public asset disposal, build capacity to support ACV registrations and use of the CRTB, and join community ownership to other local priorities such as renewable energy and health transformation.
- ☀️ **Support infrastructure** - a proposed **“Community Ownership Support Engine”** modelled on the COF support provider consortium - should be established as an independent entity, funded at approximately five per cent of any major programme, providing practical guidance from early feasibility through to long-term stewardship.

Through this co-ordinated, sequenced, cross-sector approach over the next five years, we can produce an environment that brings about a “new normal” of mainstreamed community ownership support within a decade and beyond.



Conclusion

The opportunity before us is significant and time-limited. A rare policy window has opened - with the CRTB now in law, a new funding commitment, political will present across parties, and a substantial pipeline of projects ready to move. The question is whether it will be matched by the scale of funding and coordination it requires.

If done well, this is one of the rare policy areas where a relatively modest public investment can rapidly unlock substantial, politically salient benefits: visible regeneration of high streets and community spaces, economic growth rooted in local ownership, reduced pressure on public services, and communities with renewed confidence in their own power. If done poorly - or not at all - a huge opportunity will pass us by.

This report provides the evidence, the framework, and the roadmap. The will, as our research found, is there across politics, funders, and civil society. What is needed now is the ambition to act on it. ■



1. Introduction



Fordhall Farm, North Shropshire

Since the turn of the century, successive governments have put in place policy and funding measures to support community ownership which reflect their political strategies and values.

New Labour - despite being generally characterised as statist and centralising - had a “quiet communitarianism”,⁹ which kickstarted the Community Asset Transfer (CAT) mechanism and produced the landmark “Communities in Control” white paper.¹⁰

The coalition government put saving assets at the heart of its localism agenda with the Community Right to Bid.¹¹ The Conservatives then created the Community Ownership Fund (COF) as a central plank of their “levelling up” agenda.¹²

Since 2024, the Labour government has also begun to make its mark on the community ownership landscape, strengthening the “Community Right to Bid” by creating the “Community Right to Buy (CRTB)” to allow communities right of first refusal to buy much loved assets much loved assets when they come up for sale.¹³

Under the radar then, a consensus has emerged across politicians, officials, funders and campaigners: community ownership is foundational for community power and a central means of building thriving neighbourhoods.

But at the same time, funding for this commitment has consistently failed to match the policy ambition. A concerted effort to bring about the COF began in 2016 and took until 2021 to bear fruit.¹⁴ It then closed prematurely, and a new approach to support was not prioritised in the government’s 2025 Spending Review.

The June 2026 announcement of a £61m Community Right to Buy Fund (CRTBF) is an important step forward and a welcome recognition that simply creating rights isn’t enough; they need resources to make them meaningful. However, while the funding will take some of the steam out of an overheating system, our research shows it won’t touch the sides of pent-up demand.

So, this report makes a clear-eyed assessment of the current support landscape for community ownership and offers recommendations for the future. We want to help, once and for all, to close the gap between ambition and reality, maximising the practical impact of the growing consensus around community ownership, based on up-to-date evidence of where we are.

Radical optimism, not managed decline

Back in 2016, Locality's "Places and Spaces" report noted a shift in the focus of community ownership policy from where it had started:

"Perhaps unsurprisingly given huge public spending pressures... community ownership is increasingly only framed in terms of the financial savings which could be released. This is a marked change of emphasis from where the community ownership agenda began, and the hopeful vision of empowerment that informed the Quirk Review, which asked us to imagine 'it is 2020 and communities across England have been revitalised from within ... A new civic spirit sweeps through urban, suburban and rural communities alike - galvanising communities to harness their energies for the wider public good.' Now it is a grinding pragmatism in response to the strictures of austerity that is driving community ownership."¹⁵

This austerity framing has remained front and centre in the decade since. The COF was focused on saving assets "at-risk", stemming the tide of the 6,000 assets that are being sold off by local authorities every single year.¹⁶

Efforts to do this are crucial and will, unfortunately, continue to be so. A recent survey found 60 per cent of councils are planning to sell assets to meet social care costs.¹⁷ Local areas will remain in a tough economic and fiscal climate for the foreseeable future.

However, we think the predominant "deficits" framing doesn't do justice to the power and potential of community ownership. The evidence is clear - from better social outcomes to stronger neighbourhood economies and more resilient local environments - community ownership is one of the best means we have for building better places.

For example, we can see how community ownership provides positive answers to the stubborn challenges that sit right at the top of the political agenda.

How can government drive meaningful economic growth in neighbourhoods that have struggled for decades? Asset-owning community organisations lead economic development in our most disadvantaged neighbourhoods,¹⁸ with every £1 they generate creating approximately £2.50 for the local economy.¹⁹

How can public services make a decisive shift to prevention and drive down unsustainable demand? Access to community spaces can be critical for longer term health outcomes, reducing loneliness, and improving access to health services, therefore lessening the pressures on social care and acute NHS providers.^{20 21}

How can we come back together as a country and tackle increasingly toxic division? Community hubs widen people's social networks, increase social cohesion by bringing together different social or generational groups, and increase social capital and build trust.²²

Throughout this report, you'll find real-world case studies from across the country showing just what this impact means in practice.

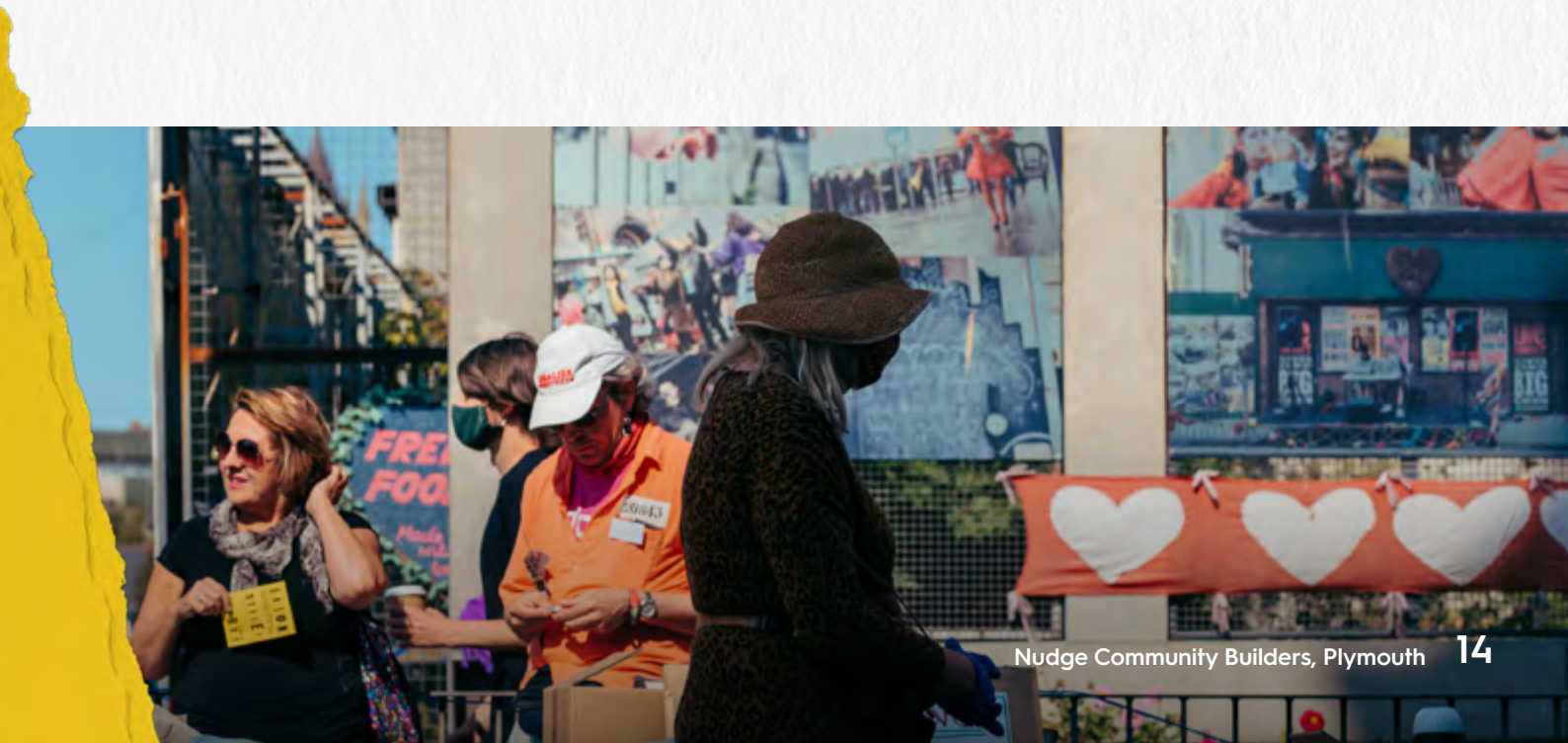
Demand is clear - but supply is lagging

There are compelling reasons, therefore, why politicians should make boosting community ownership a national, cross-government policy goal. Our research shows clear evidence it's something local communities want too.

We have assessed the current "pipeline" of community assets to try and understand the demand in communities to take buildings and spaces into community ownership. This is not a straightforward task - consistent data on community ownership is hard to come by.²³ However, Locality led the support provider consortium for the COF and so has been able to work with partners to consider what that programme tells us about demand.

We can see that the COF received approximately 3,800 eligible expressions of interest, amounting to £1.8bn. **This means it was more than 12 times oversubscribed on the funding available.**

While the most significant recent programme, the COF only tells part of the story, focused as it was on community spaces at immediate risk of loss. Our research in chapter three details myriad projects from a range of partners which are ready to go. In particular, the focus of the COF excluded larger-scale asset development projects from established community "anchor" organisations, not to mention the opportunities of community-led housing.



As we show on [p. 21](#), the new CRTB is likely to stoke this demand even further, with a greater range of assets in scope and a greater chance of success given the new powers.

Sadly, some of the projects in the COF pipeline have missed their moment and will no longer be viable. There will also be some double counting between the projects in the COF pipeline and the potential CRTB pipeline.

Whichever way you cut it though, it is clear the unmet demand in the system is huge. A paternalistic view often persists in Whitehall that communities lack the capacity and capability to run community assets, particularly in disadvantaged neighbourhoods. Our research should permanently dispel this myth.

Local communities are ready, willing and able to take ownership of the buildings and spaces that mean so much to them. There is an all too rare “quick win” for policymakers where a relatively small investment could rapidly unlock huge, politically salient benefits.

Yet, at present, funding supply is lagging.

The CRTBF is hugely positive in bringing government back to the table. But if the £150m COF was 12 times oversubscribed, it’s clear that a fund just over a third its size has to be the start of something rather than an end destination.

Much hope has been placed on the £5.8bn Pride in Place Programme.²⁴ Nearly 300 “doubly disadvantaged” neighbourhoods will receive £20m over 10 years to invest in their own priorities, whether that’s improving community spaces and parks, or tackling entrenched challenges like homelessness and child poverty.

Areas are encouraged to invest in community ownership as part of this programme, but it remains to be seen whether this opportunity will be taken up. And, of course, it is only available to the significant but still relatively small number of areas the programme is targeting.

The Community Wealth Fund is another opportunity that could significantly boost community ownership.²⁵ A £175m pot - funded by the government’s Dormant Assets Scheme and matched by The National Lottery Community Fund - is being targeted at building social infrastructure in disadvantaged neighbourhoods.

Alongside these government-led initiatives, our research highlights 80 funds across the UK available to support community ownership - [see appendix](#). These span major Lottery distributors, charitable foundations, social investors, energy-focused funds, heritage and built-environmental funders, regional trusts, and utility linked foundations. Our conservative estimate is that taken together these standalone funds are worth £271m per year.

Scotland, as ever when it comes to community ownership, appears ahead of the curve. Calls to establish the CRTB in England were based on the

Scottish model. The Scottish Government has collaborated with The National Lottery Community Fund and Highlands and Islands Enterprise to create the Scottish Land Fund.²⁶ This has invested £77m in community ownership projects since 2011 and, according to Community Land Scotland, has “transformed Scotland’s communities”. But despite its success, its budgets can’t keep up with demand and campaigners are clear more investment is needed.²⁷

Supporting an ambitious and equitable future for community ownership

Stepping back then, three things stand out from the picture our research has painted.

First, that demand far outstrips supply. Even with a new CRTBF, there are vastly more community ownership projects in the pipeline than can be supported by the current funding available, and demand will be stoked even further once the CRTB legislation comes into effect.

Second, the funding that is out there is disparate, poorly coordinated, and lacking wraparound support.

Third, not enough thought is given to equity. Despite strong advocacy from the sector,²⁸ equity was not a design principle of the COF. While this enabled all groups to apply on the merits of their project, it did not consider the barriers faced by those experiencing structural inequality, the particular benefits community ownership might bring to them, and the targeted action required to address this unfairness. The new CRTBF seems to understand this, with a focus on “deprived areas”,²⁹ and must take a clear equity lens to avoid the CRTB inadvertently doubling down on “double disadvantage”.

These insights give shape to where we need to go from here. Our research has mapped out three potential scenarios for future support. These are based on scaling up from the current response to best meet existing and future needs and ensure an ambitious and equitable approach to enabling community asset ownership (see p. 43). They are:

- a basic scenario, where we continue with our current, largely uncoordinated, individual-level response
- an intermediate scenario, where funders and social investors work together in a more coordinated way to create a sector-level response
- an ambitious scenario, where government plays a leading role in coordinating a system-level response.

Nobody we spoke to as part of this research wanted to countenance the “basic scenario”. As we demonstrate in this report, it will leave thousands

of projects unsupported, deepen “double disadvantage”, and miss a major opportunity to build community power. The announcement of the Community Right to Buy Fund makes this “basic scenario” better, but it doesn’t fundamentally change it.

The “intermediate scenario” would be a significant step forward. Our research suggests there is growing appetite from key funders to maximise impact through better coordination.

However, it is clear that truly reaching the potential of this agenda requires government to play a much more significant strategic role.

As such, we set out a vision for an ambitious future of community ownership, with dedicated funding of sufficient scale and appropriate type; where disparate funding pots are coordinated and support is resourced; with a clear focus on equity to ensure community ownership fulfils its potential to transform areas and communities that experience structural disadvantage; and strategic coordination of community ownership opportunities across government.

We believe the will is out there, across politics, across funders and across civil society. We hope our research can provide a roadmap to bring it all together and make this community ownership’s moment. ■





2.

Research methods



Trinity Community Arts, Bristol

Research overview

Following the closure of the COF, we set out to understand:

- The current landscape of community ownership and associated support across the UK
- How these can best be developed into the future.

Under this aim, we identified an initial set of research themes to explore, namely:

- Exposure of different asset types, places, and stakeholders
- Demand and pipeline for community ownership support
- System response and gaps
- Future landscape and needs
- Options for support.

Methodology

To fulfil our aim and define a practical and impactful new landscape of support, we delivered a three-stage programme of rapid research, convening, and options-scoping.

1. Desk research and rapid mapping

We began by conducting a five-week process of collating data on the landscape of community ownership and associated support since the closure of the COF.

We surveyed providers within the COF support consortium - led by Locality - which provided expertise to those exploring community ownership under the COF.³⁰ We explored:

- The types, backgrounds, and locations of COF applicants and grantees
- The success/failure rates of their applications
- The current status of their plans and ambitions
- The infrastructure bodies affected by the COF closure
- The related initiatives since announced by government
- The short-term prognosis for these communities/organisations.

2. Stakeholder engagement

The findings of the desk research and rapid mapping phase were presented to key stakeholders through roundtables and 1-to-1 meetings. The organisations and individuals consulted included:

- Central government
- Regional government
- Local government
- Non-departmental public bodies
- Grant funders and social investors
- Community organisations and businesses
- Community sector infrastructure bodies
- Think tanks
- Community ownership activists, practitioners, and campaigners.

Here, the findings were sense-checked and prioritised against the stakeholders' own experience and understanding of the current landscape.

3. Scenario planning

Following stages one and two of the research, we developed an initial set of scenarios for future community ownership support - “basic”, “intermediate”, and “ambitious”. These were based on increasing levels of coordinated funding, local and regional government strategies, and national government policy backing.

We tested these scenarios both with Locality member community organisations with varying experiences of community ownership support across the country, and with identified key partners from the funder, social investment, and government sectors.

We honed these scenarios based on the feedback received - they are detailed on [p. 43](#).

Each scenario also includes models outlining predicted demand, and the extent to which demand could be met based on level of support available. In these models, we have used ranges to reflect uncertainty around average project size and sector capacity.

Our assumptions underpinning these calculations are as follows:

- The COF received 3,800 expressions of interest (EOIs) over three years (2023–25) with a £1.8bn ask, suggesting an annual “steady-state” demand of £500m to £700m per year in capital asks. We have assumed annual demand at least matches the COF EOI-derived pipeline, so the constraint is funding and capacity, not appetite.
- The COF has provided £135m to 409 projects across the UK, implying an average capital grant of roughly £300,000 per project.
- We have then used this average grant amount to calculate the theoretical maximum number of projects that could be supported over five years with a) no dedicated new pot (“basic” scenario), a £200m pot (“intermediate” scenario), and a £1bn pot (“ambitious” scenario).
- We have assumed the need to fund a handful of much larger £5m-plus “strategic” projects in exceptional circumstances in the future. We have also reserved 5 per cent of any programme pot for support and coordination, leaving 75 per cent for capital grants and 20 per cent for project revenue funding. This capital/revenue split is not a hard target and would need to be managed at a “scheme-level”, allowing flexibility to adjust for project specific circumstances, where some will need greater levels of revenue and others less. Finally, we have adjusted the number of total projects down in each scenario based on practical delivery issues and sector capacity limits.

- We have not tried to model in detail the impact of the new CRTB but assume it will create a surge of interest and increased demand. Our crude estimate of the additional number of Asset of Community Value (ACV) applications via the CRTB is based on the average number of ACV nominations from 2011 to 2022 after the introduction of the Localism Act (an average of 760 per year), and providing a potential conservative range.

This does not, however, factor in the scale of opportunity presented by the CRTB, including the introduction of “economic” wellbeing/interest and sporting assets of community value, the deletion of the condition of “recent past” community use, and the longer moratorium period available. These could further increase the number of ACV applications and with the right support, could impact capital asks.

Our estimates are limited by the lack of available data on community asset ownership, including any systematic data on actual funding requests following the CRTB announcement. ■





3.

Research findings

Through stages one and two of the research, we identified a core set of findings - below - that underpin our later proposals for supporting the future of community ownership.

Before exploring these in more detail, it should be noted that, of the 36 stakeholders consulted in stage two, 21 had a UK-wide or multiple nations focus, 12 were England-only, and there were just one each with a sole focus on Scotland, Wales, and Northern Ireland.

This split is important to consider - while our findings and subsequent recommendations apply UK-wide - we must remain aware of the variation in the community ownership landscape across the nations, including in the legal framework, available funding and support, and local and devolved government culture and attitude. We know, for example, that the Scottish ecosystem is more advanced than elsewhere.

There are broad and deep benefits of community ownership

Research shows that community-owned assets contribute nearly £220m in the UK annually³¹ and are key in catalysing local regeneration³², contributing directly to local economies, generating employment, and retaining wealth within communities.³³

Data from the COF shows strong evidence of successful leverage, with community groups attracting more than double the value of initial public investment from match and co-funders.

Social outcomes are equally compelling. Community hubs and local service centres are associated with reduced social isolation, improved health outcomes, and stronger social cohesion.^{34 35 36}

Many community organisations and businesses also demonstrate inclusive employment practices, offering opportunities for younger people, older residents, and individuals with disabilities.

Environmental ambition is increasing rapidly, too. The VCSE Energy Efficiency Scheme shows groups are keen to take steps to reduce emissions or install energy-saving measures.³⁷

Murray Hall Community Trust, Sandwell

Murray Hall Community Trust is based in Tipton, Sandwell, in one of the 10 per cent most deprived areas of England. Since 1994, it has grown into an established charity providing a range of innovative services for people of all ages across Sandwell, the Black Country, and Birmingham.

From its multiple centres, it supports a post-industrial community left in a decades-long cycle of poverty, with higher levels of unemployment, low skilled work, poor housing, and debt.

By employing local people, supporting local volunteers, and contracting with local providers it provides community-led services, activities and space, including:

- Counselling for children, young people, and adults
- Domestic abuse support
- Digital skills development
- Support for people living with dementia
- Supporting for people living with isolation and loneliness
- A space for community members to identify local issues and find solutions together.

A secure, community-run asset base is central to the breadth and depth of Murray Hall's local impact. In 2025, it completed a Community Asset Transfer of its main centre, The Bridge, with a 99-year lease. It also secured COF funding to complete vital renovations of the building.

“With a fully renovated building secured well into the next century, we are confidently working to be deeply rooted as a community anchor; to be a catalyst of change to help people out of poverty, isolation, loneliness, despair and so much more.”

Manjula Patel, CEO, Murray Hall Community Trust



Shotton Partnership 2000 Ltd, County Durham

Shotton Partnership 2000 Ltd was established in 1998 to improve the quality of life of residents in the village of Shotton Colliery, a former coal mining community in County Durham now in the top 10 per cent most deprived areas in England.

Local people face many of the same challenges as those in Murray Hall's community. To tackle these, the Partnership runs Shotton Community Hub, from which it provides services, groups, and digital access for all ages. Its activities derive from yearly action plans based on the priorities of the community. Currently, they include:

- Debt advice and an HMRC contract to support local people with welfare benefit and income-related forms
- A food bank, arts and culture hub, and community emergency point
- Serving as an Information, Advice and Guidance centre, virtual college, and IT centre to help people build employability skills
- A comprehensive summer programme of activities, events, and trips for young people
- Leading consultations with residents on local issues alongside statutory services, and the local MP and councillors
- Participation in the local authority's Area Action Partnership and Children and Young People Board.

The Hub is owned by Shotton Parish Council and run by the Partnership as a community asset on a 100-year lease. The Partnership manages all aspects of the day-to-day running of the Hub and secures funding for the services delivered. The Parish Council recognises the value of these services and provides money from their precept towards the Hub's running costs.

This model was used again in 2023 when the Partnership secured over £1m grant funding from the Youth Investment Fund to establish a new youth centre in the village.

"Working in partnership with Shotton Parish Council has proven that community assets are more sustainable when everyone is working together with the best interests of the village at heart." - Rona Hardy, Project and Finance Manager, Shotton Partnership 2000 Ltd



Demand for community ownership is vast

Evidence shows the scale of current ambition is considerable. As demonstrated by the figures on the oversubscription of the COF, above, demand for public investment has far exceeded available resources. This represents only a partial view of sector activity, as the COF only targeted assets considered at immediate risk.

Partners from the COF provider support consortium report similarly high levels of interest from their own pipelines. During our research, they identified more than 1,000 groups at various stages of readiness, with capital requirements typically ranging from £50,000 to over £800,000. At time of publication, as support continues and communities gear up for the CRTB, we believe this figure will only have increased.

For example, the heritage and culture sectors report more than 170 projects nearing shovel-readiness, while sports and leisure bodies warn of more than 180 facilities at risk. Land-based initiatives, although often early-stage, represent a further £60m in emerging project value.

Oversubscription is now a common feature across multiple funding streams and asset types, including community centres, energy schemes, pubs, shops, and heritage buildings, demonstrating that community ownership is no longer niche.

Stubborn barriers remain

Despite this momentum in community ownership, progress remains constrained by several long-standing barriers.

Early-stage revenue funding is insufficient, especially in disadvantaged areas where local fundraising is difficult and match-funding requirements can be prohibitive.

“One of the key things we’re finding with the Pride in Place Programme is that it is largely capital funding, whereas many of the costs occur up front. Groups need support for feasibility work, taking on assets in the first instance, condition surveys, and legal costs. That early-stage revenue support is the piece that is currently missing. It’s something I would definitely be calling for going forward.” - Roundtable participant

Groups regularly face delays across planning, conveyancing, and lease negotiation processes, which can add cost and risk.

And reliance on volunteer capacity creates vulnerabilities, and asset owners can prolong negotiations or artificially inflate prices.

Groups and projects need greater support

The needs of community groups and their ownership projects are becoming more complex. Many groups entering the pipeline are at an early stage, with limited experience of asset management, governance, or financial modelling.

“I’m working with quite a few people who are really quite early-stage. They haven’t necessarily run a building before. For example, we’re working with an organisation using old church buildings for a skate park, but they haven’t actually operated it themselves because a previous organisation managed it. I think there’s a much larger potential pipeline, and a greater need for support for those at an early stage.” - Roundtable participant

At the same time, the projects they are being asked to deliver are increasingly complex, capital-intensive, and exposed to inflationary pressures. Business models that relied on narrow margins and significant levels of debt are now under severe strain, particularly where groups are expected to meet high match-funding requirements or take on repayable finance at commercial or near-commercial rates.

Stakeholders repeatedly described community assets as “liabilities masquerading as assets”, requiring substantial upfront investment and ongoing subsidy to remain viable. There was a strong call for assessment frameworks that place greater weight on social benefit and long-term public value, rather than narrow tests of financial viability.

Coordination is lacking

A central theme across roundtables was the lack of coordination within the community ownership ecosystem. Funders, intermediaries, and public bodies often operate in parallel rather than in concert, despite shared objectives.

The COF support provider consortium was widely cited as a rare and valuable example of UK-wide cross-sector collaboration, enabling learning, alignment, and mutual reinforcement. Stakeholders expressed a strong desire to rebuild and formalise this type of coordination, nationally and regionally, to improve transparency, reduce duplication, and ensure that support is available across the full project lifecycle.

Community foundations, place-based funders, and specialist infrastructure organisations were all identified as underutilised actors that could play a more strategic role if better aligned within a coherent framework.

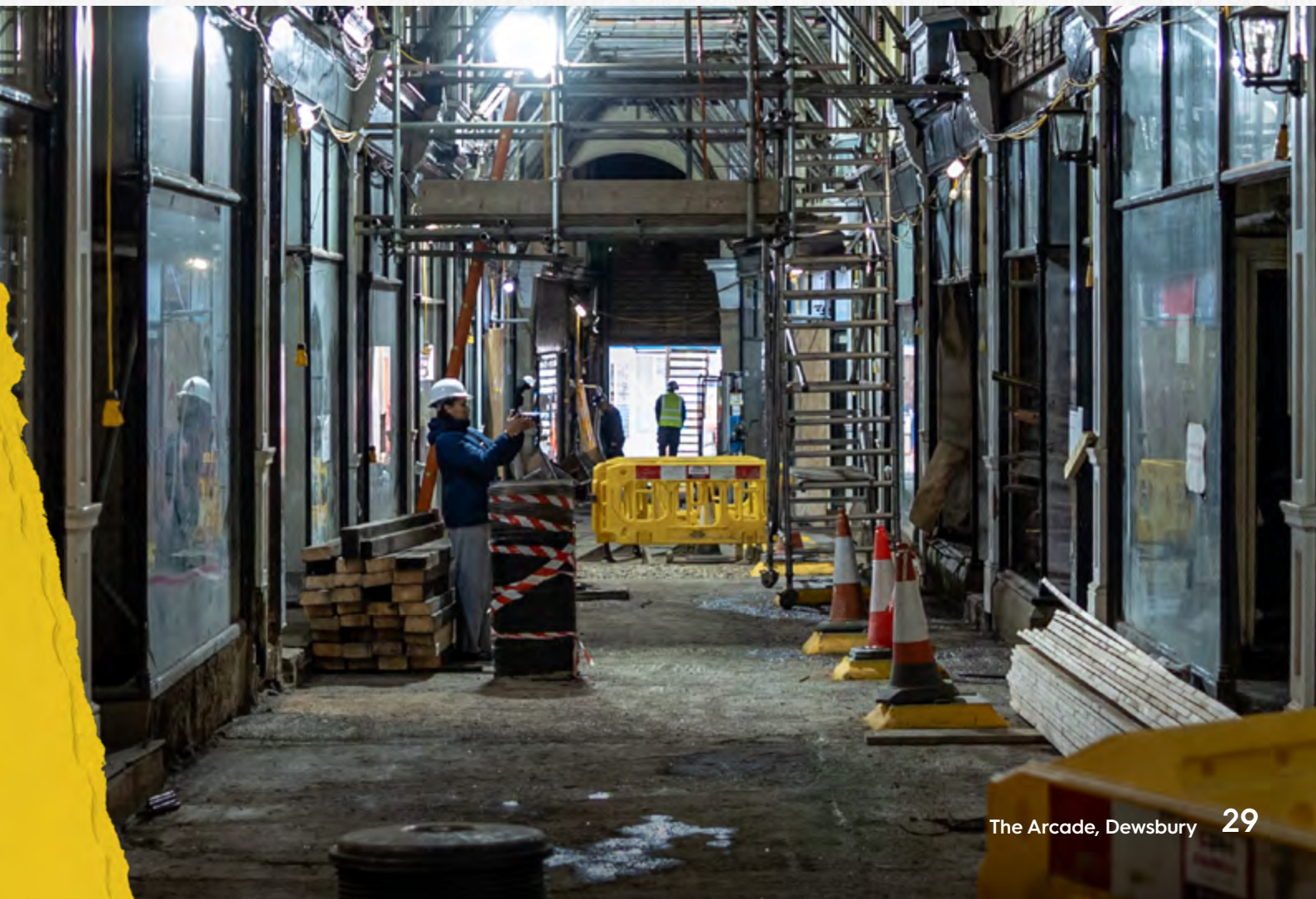
The COF - flawed but important, and missed

Research participants consistently described the COF as a catalyst rather than a complete solution. Its combination of capital and revenue funding alongside wrap-around support unlocked projects that would otherwise not have progressed, particularly in disadvantaged areas, once additional support was introduced within application rounds.

However, the fund's design and constraints also created unnecessary challenges. Rigid timelines, short spending deadlines, and limited post-acquisition support placed considerable demands on some groups, which they were not equipped to manage. Even positive features, such as revenue funding for operational costs, were undermined by the fact that applicants only had one opportunity to apply, rather than being able to reapply as projects naturally evolved.

The sudden closure of COF has left many projects stranded mid-journey, resulting in loss of momentum, diminished community confidence, and, in some cases, the permanent loss of assets to private ownership.

No single strategic funder has since stepped into this space at a similar scale, leaving a patchwork of smaller, often oversubscribed funding streams that are difficult for communities to navigate.



Community ownership projects left stranded

We've collated just a few examples of projects across the UK left stranded by either the strictures or premature closing of COF:

- **The Old Synagogue, Belfast** - Built in 1904 and located in one of the 10 per cent most deprived areas of Northern Ireland, this building is widely recognised as NI's oldest surviving synagogue. Currently under the control of Belfast Health and Social Care Trust, the building has been empty for several years and is in poor condition.

Development Trusts Northern Ireland (DTNI) worked to try and bring the building back into community ownership to offer space for exhibitions on Belfast's Jewish heritage, arts and performances, a cross-community resource centre, participatory democracy and community planning activities, and office and hub facilities.

DTNI successfully assembled a credible early funding package, including a COF capital grant award, totalling just over £500,000. However, the project became "at risk" when the COF's requirement to spend capital (and match) funding within 12 months of the offer collided with the real-world timescales and governance process of a Community Asset Transfer involving a large public body.

Combined with high potential VAT exposure for DTNI, it was concluded that proceeding would create an unacceptable financial strain for the organisation. COF and other fund monies were therefore returned, despite the project's strategic merit and public value.

- **Carn Brea Leisure Centre Trust, West Cornwall** - Sitting in one of the top 30 per cent most deprived areas of England, Carn Brea Leisure Centre Trust in the Camborne-Pool-Illogan-Redruth conurbation is struggling to maintain a regionally significant sports facility in the face of historic capital underinvestment.

The Trust raised £200,000 of partnership funding and prepared a bid for COF before it closed. The Trust have now spent the secured funding on repairs which they hope will delay the major works needed by five years, but a gap of around £1.9m in capital refurbishment funding remains.

- **Rassau Resource Community Centre, Blaenau Gwent** - Based in a former primary school in one of the top 10 per cent most deprived areas of Wales, this community centre provides essential services across health, wellbeing, childcare, youth provision, welfare, employment, and community spaces.

The organisation needs to renovate their building to be sustainable in the long-term but, in such a competitive funding environment, the closure of the COF has put this work in jeopardy. There are currently no other similar funds that can support the necessary renovations.

Funding design must improve

Funding design emerged as a critical lever for change. Participants across both roundtables argued for a more strategic, blended approach that combines grants, social investment, and community finance into a single, coherent offer.

“One of our challenges is the fact that we’re heavily reliant on social investment which we pay back with interest. So, I think we need to be smarter at working with perhaps some of the philanthropic funders, so that we can reduce those interest rates in some way. It will be really, really helpful if we can get those mixes.” - Roundtable participant

This would allow risk to be shared more equitably between communities, funders, and the state, rather than being concentrated at the community level. There was particular interest in adjusting grant-to-loan ratios to reflect project risk and local context, offering longer repayment periods and lower interest rates, and providing flexible funding that can adapt as projects evolve.

Early-stage revenue funding, for feasibility, legal work, surveys, and capacity-building, was consistently identified as one of the most acute gaps, alongside long-term (25-year-plus) funding solutions to support sustainable operation once assets are secured.

Independent, detailed support and advice is crucial

Tailored guidance to address group and project needs - on business planning, governance, legal processes, fundraising, and community engagement - has materially improved project readiness and success rates.

Groups receiving structured support through the COF, for example, were more than twice as likely to secure investment from the fund. Peer networks, specialist intermediaries, and advocacy organisations have also helped groups navigate planning delays, negotiate with asset owners, and build credibility with lenders and grant-makers.

We also heard the importance of decoupling this support from funding cycles. Independent, long-term advisory support, available from the earliest stages of a project, was seen as essential to avoid premature acquisitions and to build genuine readiness.

“We found that, by the time the asset comes up for sale, if it’s not registered as an asset of community value, it’s often too late. You can’t move quickly enough. So, we need that really early-stage support that’s prior to the buildings coming on sale. It could also be useful to have support with mapping what those assets are in your community, getting them registered, etc.” - Roundtable participant

Stakeholders advocated for national or devolved advice services - potentially government-funded - complemented by peer learning networks, practical guidance, and place-based mentoring.

Given that community ownership projects often take several years (and sometimes a decade or more) to progress from concept to operation, flexible, sustained, and hands-on support is essential. Successful community ownership was repeatedly described as a journey rather than a transaction, requiring support that extends beyond acquisition to include long-term stewardship, governance renewal, and asset management.

A specific focus on equity is key

Barriers to community ownership disproportionately affect minoritised groups and communities experiencing entrenched disadvantage, resulting in lower levels of capacity, wealth, or social capital. Without deliberate intervention, the benefits of community ownership risk sticking primarily to more affluent or well-resourced areas.

Addressing these inequities requires more than adjusting existing funding mechanisms. The evidence and insight we gathered indicates the need for explicitly ringfenced funding to support communities with low capacity, alongside more flexible timelines and match requirements, simplified processes, and assessment criteria that better capture local need, social value, and community leadership.

Specialist infrastructure organisations, particularly those serving minoritised or rurally isolated communities, need to be embedded in programme design and delivery. Current data collection on ethnicity, and other protected characteristics is inconsistent, limiting the sector's ability to understand and address structural disadvantage.

We heard broad agreement that equity must be treated as a core design principle rather than an add-on, with targeted support, co-designed programmes, and culturally competent infrastructure playing a central role.

Concerns were also raised about inconsistent and sometimes discriminatory practices at the local authority level, reinforcing the case for clearer national guidance and stronger accountability mechanisms.

Different asset types require different support

Different types of community assets present distinct challenges and therefore require differentiated policy and financial responses.

Many community buildings operate on low margins due to affordability requirements and cannot sustainably service debt, necessitating a grant subsidy.

Large or high-street regeneration projects often involve substantial capital requirements that exceed typical funding thresholds.

Heritage assets face complex conservation requirements, and many sports facilities require technical surveys and significant repairs.

Community-led housing initiatives face competitive markets, limited development finance, and regulatory hurdles, while faith buildings often require extensive conservation and are at risk of being disposed of due to changing social patterns.

Land-based and community energy projects, while offering long-term opportunities, face long lead times and planning constraints. The lack of consistent access to ownership data hampers many projects.

Local authorities are key partners

Local authorities were widely recognised as critical actors whose role can either enable or block community ownership. Experiences of ACV and CAT processes vary significantly across and within regions, with inconsistent approaches to valuation, leases, rents, and conditions.

Some councils continue to prioritise short-term financial returns or liability offloading over long-term social value, undermining the sustainability of community-led models.

“We have been struggling for five years. We went from being offered a 99-year lease to a complete refusal and instead being told we have to buy the building. After five years of trying to secure the building and plan our future services, we still can’t do that.” - Roundtable participant

Stakeholders called for a stronger strategic role for local government, supported by national standards, shared tools for assessing social value, and clearer guidance on appropriate legal forms.

“We’ve been trying for seven years to purchase an asset and were thwarted last year by a very flawed process that awarded the building to local councillors. We need to be able hold local authorities and combined authorities to account.” - Roundtable participant

Positive examples, such as Calderdale, Kirklees, Bristol, and Greater Manchester demonstrate the potential of place-based approaches where community ownership is embedded within wider strategies.

Bristol Roots of Resilience

The Bristol Roots of Resilience campaign is a city-wide movement calling for urgent action to protect and enhance Bristol's shared spaces.

Led by community anchor organisations and supported by a wider coalition of signatories, the campaign was successful in encouraging Bristol City Council to refresh their Community Asset Transfer Policy - which now emphasises asset transfers as collaborative long-term partnerships with the VCSE sector.

A key lesson is the importance of reframing community ownership as beneficial to councils themselves - helping them manage assets more effectively rather than simply transferring liability.

The campaign also highlights the value of moving away from blunt, contractual notions of "social value" towards more meaningful measures of community impact embedded in service level agreements.

Sharing and amplifying this kind of practice can help other local authorities see community ownership as a strategic asset, not a risk.

Secure the foundations, then grow the ambition

Looking ahead, research participants emphasised the need to balance immediate, practical support with longer-term, transformational ambition.

There was broad support for piloting new models in "ready" areas, learning from Scotland's more proactive and integrated approach, and exploring mechanisms such as land banking, asset holding vehicles, and cooperative or networked ownership models that reduce risk for individual groups.

Advocacy efforts should be sharpened to link community ownership more explicitly to national priorities such as economic resilience, social cohesion, wellbeing, and place-making, supported by stronger data on asset loss, failure, and long-term impact. ■



4.

**Criteria for future
success of community
ownership**



Wight Community Energy, Isle of Wight

Why we need a new approach

Our research has shown that demand for community ownership is growing rapidly and, when supported sufficiently, delivers clear economic, social, and environmental benefits. As such, it has now attained significant backing across the philanthropic and social investment sector. But its true potential is being held back by major structural barriers.

Without greater and more targeted funding, better data, and stronger support systems, these benefits will continue to be unevenly distributed and many communities, especially disadvantaged ones, will not benefit.

The next phase of community ownership policy and programme design must move beyond short-term, high-risk interventions towards a more coordinated and equitable approach.

The introduction of the CRTB represents a new opportunity for community asset ownership - making it easier for communities to take ACVs into local ownership and expanding their definition to support economically beneficial projects.

This could include vacant high street spaces,³⁸ department stores,³⁹ sports grounds, and emerging social infrastructure such as grassroots music venues, climbing walls and makerspaces.⁴⁰

We estimate that **around 190,000 opportunities could be in scope under new definitions offered by the CRTB**, although some of these may already be under community ownership, while a significant number would not be viable for listing.

Assuming a third of these projects would be “ready to go” with current levels of support,⁴¹ and based on the average number of ACV applications under the Community Right to Bid from 2011 to 2022, we crudely estimate around **1,200 to 1,600 ACV applications via the CRTB over the next one to two years.**

At an average of £200,000 to £300,000 capital grant per project, and assuming all ACVs came to market, this means demand could reach **more than nine times** the capital funding available with the new CRTBF.

Making the most of this policy change and the opportunities it presents will require strategic leadership, long-term funding horizons, robust support infrastructure, a focus on equitable access and - more generally - a renewed partnership between communities, funders, and the state.

What's needed

Based on our research, we have determined a set of conditions that will be required to shape a broad and inclusive response to the demand for funding and support for community asset ownership, explained below.

Fostering the economic, social, and environmental potential of community asset ownership

Our collective approach to community ownership should revive the optimism and aspiration of the Quirk Review,⁴² which imagined community ownership as a tool for communities across England to be “revitalised from within”, not just as a response to public sector decline.⁴³

The next iteration of support for community ownership should frame this as an opportunity for economic and environmental benefits to be realised - not just social ones. This should encourage and enable communities to pro-actively pursue community asset ownership as a tool to create opportunity and community wealth, not just to respond to market failure and the risk of asset loss from community use.

Likewise, councils should use CAT to economically empower their communities and ensure the provision of high-quality community spaces and services - not to transfer economic liabilities.

Supporting a range of asset types and aspirations

Support and funding should enable different types of community asset ownership and support a range of asset types. Beyond the vital spaces for socialisation and access to services (like pubs and community hubs), this should include asset/project types which align with the government's broader agenda - like community-owned housing and community energy projects - and projects that help revive the economic and social life of the high street, like empty shops and department stores.

Support should also be able to scale from single asset projects to neighbourhood-scale asset redevelopment to encompass a range of community aspirations, and to assist community organisations of different stages of development and maturity, from newly formed campaign groups to established organisations and businesses.

Hastings Commons, Hastings

Hastings Commons has used community ownership to transform and reactivate multiple long-term vacant and derelict buildings in the town centre. Their mission is to sustain Hastings as a place shaped by local people for local benefit, with spaces becoming collaboratively managed, inclusive and genuinely affordable.

In 2014, Jericho Road and Meanwhile Space established White Rock Neighbourhood Ventures as a social enterprise to purchase Rock House, a nine-storey former office block. Lacking the £2m needed for renovation, they used “phased organic development” to bring the building to life, floor by floor, with workspace and residential tenants.

The Community Land Trust was established in 2016 and more than a decade later, Hastings Commons now manages over 8,500sqm of buildings and spaces, including 12 rent-capped homes (and currently working on 12 more) and over 100 workspaces with 170-plus tenants.

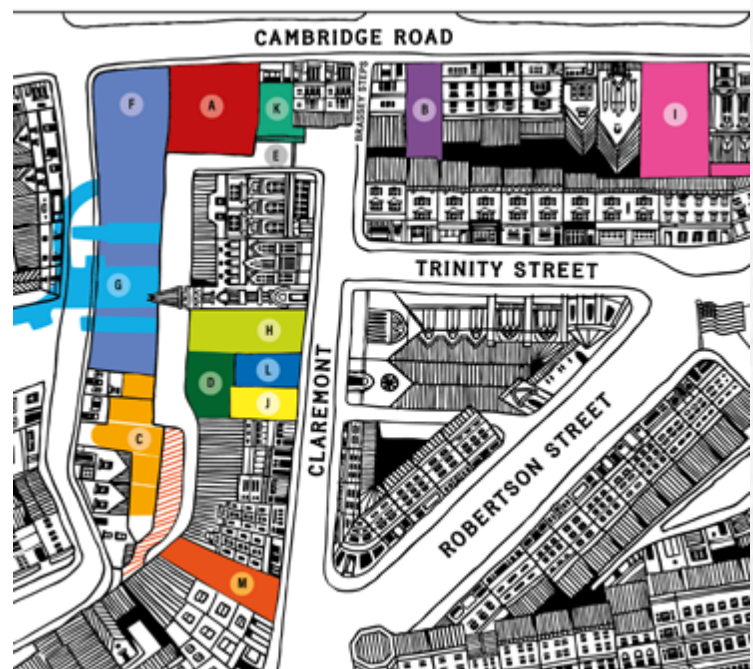
It is also dedicated to providing inclusive social spaces, such as Eagle House’s Common Room, a public living room where people from all backgrounds can connect and spend time with one another without spending any money.

Having rescued the flagship Observer Building after four decades of dereliction, it has just completed full renovations of another two historic buildings into a modern youth and community centre and an inclusive creative hub.

Hastings Commons’ asset redevelopment work is helping to rebuild the local economy and increase local pride, providing affordable homes and opportunities for diverse economic and cultural activity.

“This has been a long road and often felt like a roller-coaster. Community asset development for neighbourhood transformation is much harder than it ought to be. I hope our experience will help others to see it can be possible.”

- Jess Steele, founder investor and Commoner-at-Large, Hastings Commons



Scale, mix and flexibility of funding

Funding should be scalable to accommodate a range of project types, while long-term and affordable financial support is needed to give community-owned assets the financial stability to progress into trading and thriving community businesses.

Any future funding for community ownership must include both revenue and capital funding. Revenue funding is often needed in the early stages of community ownership projects for feasibility studies, planning and capacity building, leading to the requirement for larger-scale acquisition capital. However, ongoing revenue support can also help communities to build the entrepreneurial potential of their assets to establish income from trading, facilitating long-term sustainability.

Given the scale of demand, it's pragmatic that any future fund should be comprised of both repayable finance and non-repayable (grant) funding, with communities supported to access the right mix for their purpose and stage of growth and a clear emphasis on directing grant funding towards disadvantaged and marginalised communities.

Equity, support and advice

Complementary non-financial interventions, such as the provision of advice, networks, and advocacy support, are also essential to ensuring the long-term success of assets in community ownership. **This type of support should be independent of funding** so communities can benefit from impartial and independent advice.

Any future funding must also have embedded equity goals, ensuring communities in areas of high deprivation and groups representing minoritised communities are supported to realise their community ownership aspirations - including, as articulated above, to be expressed through the type of funding available.



Disability North, Newcastle

Disability North was established in 1985 as a user-led organisation for disabled people across the region. It operates out of the Dene Centre - an Independent Living Centre in South Gosforth supporting the disabled community in Newcastle and surrounding boroughs.

Those supported by Disability North experience a range of economic and social inequalities that impact their health. These include poverty driven by benefit rates and a higher cost of living for disabled people. Social isolation and public intolerance of access to benefits also impacts on mental health within the community.

Disability North seeks to tackle these inequalities by providing services, activities, and spaces including:

- Supporting users to access and manage welfare benefits
- Advice and support on community care, Personal Assistant management, and direct payments
- Supporting users to manage their health, remain independent, and better use their home and spaces.

Disability North promotes a social model of disability support - providing a grassroots response to the needs of the local disabled community. In doing so, it maximises the independence, choice, and control that individuals often otherwise lose to medical practitioners, carers, and other helpers.

Disability North owns the Dene Centre under a long-term leasehold agreement with 80 years left to run. It also hosts tenant charities supporting users on a range of health issues. The building is now over 40 years old and in need of modernisation and refurbishment, but capital funding is proving hard to access - the organisation has so far managed to secure £100,000 from one charitable foundation but a £600,000 funding gap remains.

“Owning The Dene Centre gives us the flexibility to create spaces shaped by disabled people. In the past 18 months, this has enabled us to transform our outdoor area into a community garden led by young disabled people, building skills, confidence and wellbeing, and bringing together a wider mix of volunteers, organisations and older people. It is a space the community has created and now owns.” - Vici Richardson, CEO, Disability North



Alignment with local and central government policy

Councils have a key enabling role in facilitating community asset ownership, but too many are not fully embracing this role. All councils should implement a CAT policy to clarify their process and objectives for the transfer of assets to communities, promote the economic as well as social wellbeing of communities, and make their approach transparent.

Alongside CAT, councils should embrace other policies at their disposal to facilitate community use and ownership, such as embracing High Street Rental Auctions (HRSAs) and - where other routes have been exhausted - using Compulsory Purchase Order (CPO) powers to acquire and transfer problem assets into long-term community stewardship (as recently recommended by the Secretary of State for Housing, Communities and Local Government).⁴⁴

Ahead of the introduction of the CRTB, councils must also ensure their teams are equipped to support ACV listings and facilitate use of the CRTB process, in anticipation of demand.

Councils should also ensure community organisations and businesses are treated as genuine partners in local placemaking, with respect for their role in stewarding assets and local regeneration.

Central government can help by ensuring there are clear objectives to support community ownership (of assets and decisions) across different policy agendas, including local regeneration (particularly through the Pride in Place Programme and Impact Fund), improved living standards, around neighbourhood health, and renewable energy (through the Local Power Plan).

This will also help to achieve the manifesto commitment to double the size of the co-operative sector, as new community and co-operative businesses start up and grow around locally-owned assets and services.

Case study

Back on the Map, Sunderland

Back on the Map is a place-based social and economic regeneration charity based in Hendon, Sunderland. Their mission is to make the ward (one of the 10 per cent most deprived areas of England) a place of opportunity to live, work, and thrive.

Through capital investment in physical regeneration and provision of housing, community services and activities, they are working together to create a better place, a stronger community and a local voice, with local people at the heart of everything they do.

In 2011, Back on the Map set themselves up as a social purpose landlord to buy up homes and tackle the poor quality of rental properties by absent landlords. They now manage over 130 homes

and have £5.2m of residential and commercial assets, including a youth centre, health hub, and community garden. The assets' profits subsidise the organisation's community renewal work.

Back on the Map also founded and led the Heart of Hendon Community Improvement District to tackle the decline in their local high street, Villette Road. Hearing from over 500 residents about what they wanted their high street to look and feel like, they worked with the council to implement a new 20mph zone and updated signage, then purchased and regenerated a block of empty shops which are now fully occupied.

Their positive relationship with the local council has also helped secure a new housing development on derelict land. Back on the Map is thereby a great example of how councils and community organisations can work together as genuine partners in local regeneration - but they strongly believe more funding needs to be made available to retrofit old houses into new homes.

“Back on the Map is a community anchor, rooted in Hendon with trusted relationships locally. Despite our transformative work, Hendon is still an area of high deprivation and inequalities. Our goal is to remove barriers to access and provide a gateway to all of the key services, provision and opportunities people in our community need in order to live, work and thrive.” - Jo Cooper, CEO, Back on the Map.

Five tests for future solutions

So, any future coordinated approach to supporting community ownership should be tested against the following questions:

1. Does it foster the economic/environmental as well as social benefit of community ownership?
2. Is it inclusive of the broad range of community ownership project and asset types?
3. Does it provide patient funding at scale that can flex to community needs?
4. Does it support equity and provide complementary non-financial interventions?
5. Does it clarify and promote the role for local government in promoting community asset ownership? Is there complementarity with other national government policy priorities? ■



5.

Mapping the options



Nudge Community Builders, Plymouth

Having established what we need from the future landscape of community ownership support, below we lay out three potential scenarios that could now unfold.

We start by considering what some small-scale tinkering to the current situation would look like (basic), before illustrating a world in which funders, investors, and local and regional government coordinate and increase their support (intermediate). Finally, we imagine what could be achieved with the full weight of central government support (ambitious).

Later, we consider how each of these potential futures would stack up against the five tests laid out above, before calling on the key cross-sector actors to help realise what we believe is the best path to the future landscape we need to see.

Basic (individual-level response)

Scenario:

- The recently announced CRTBF delivers £61m of funding for community asset ownership (including around £10m of revenue funding to support project development), but this is delivered largely in isolation from other funding sources or strategic support.
- This is better coordinated through a single point of access approach that helps communities navigate the available options and find the forms of funding and support that best suit their needs. This could be coordinated through a revamped [MyCommunity](#), incorporating tools to assist with finding the right project - similar to those provided by [Good Finance](#) for social investment.
- Within local government, greater emphasis is placed on disposal of assets to communities and councils upskill to support ACV and CAT processes. Local growth funding (like the Pride in Place Programme and Impact Fund) is intentionally channelled towards supporting community asset ownership, in line with local regeneration priorities.

- Existing non-financial support tied to specific funds remains in place but is not expanded. There is no overt focus on equity.

Outcomes:

- It becomes clearer for communities where to find support and funding for community ownership and to utilise their time and resources on applications more strategically. However, competition for existing funding remains high (and this may only increase demand for certain types/terms of funding).
- Without significantly expanded or coordinated funding, thousands of projects would be left without viable routes. Projects in more deprived areas - wherein engagement with funding applications is felt to be more challenging - would be adversely impacted, driving further “doubly disadvantaged” areas suffering from the closure of vital social infrastructure.⁴⁵
- Assuming a “steady state” demand of £500m to £700m per year in capital - and that demand matches the previous EOI pipeline (3,800 COF EOIs totalling £1.8bn over three years) - we estimate that only 150 to 250 new projects could be helped over a five-year period without expanded funding.
- With details about exact focus and design of the CRTBF unclear at the time of publication, it is hard to assess exactly how it will impact this estimate. It will certainly make the upper end of this range more likely and help the first cohort of projects get off the ground. However, the amount is not significant enough to fundamentally alter this as a broad scenario.
- Local authorities guarantee a single point of contact and skill up their teams to prepare for the introduction of the CRTB and an uptick in ACV registrations, and they are better able to manage the policy transition. They also act more strategically around the sale of assets, ringfencing key assets of economic and social value for disposal with communities.
- Funding programmes like Pride in Place have a more sustainable legacy through community owned assets - learning lessons from previous neighbourhood regeneration programmes like the New Deal for Communities.



Intermediate (sector-level response)

Scenario:

- Philanthropic and/or social investors either closely coordinate or create “pooled” funds to create larger pots for investment. The new £61m invested by the government catalyses and combines with these funds to support pro-active community ownership projects in a strategic way, recognising the potential for social, economic and environmental benefits - not just assets at risk.
- Non-financial support is coordinated alongside the provision of funding, with a focus on enabling communities from areas of high deprivation and from minoritised backgrounds to develop community ownership projects.
- The new CRTB is launched with a strong awareness-raising campaign, alongside the new funding.
- Within local government, support for asset ownership is embedded at a local authority level and pan-regionally. Mayors make supporting community ownership a priority, embed community ownership and community business in their Local Growth Plans and utilise devolved strategic authorities growth funding to support the development of community asset bids and acquisition of assets.

Outcomes:

- Funders/investors benefit from reduced programme running costs by pooling investment, which ensures more of their funding can reach communities.
- Investment at scale is enabled (e.g. for larger and more complex asset development projects).
- The resource and time burden of applying for funding is reduced for communities because there are fewer and larger pots of investment. They are more likely to succeed with achieving their aims and objectives with support. They can spend more time working on building their business model to run their assets successfully.
- The provision of non-financial support will promote equity and may also enable more communities to utilise repayable investment - with affordable and patient repayment terms - as they are supported to build income from trading.
- Local and strategic authorities utilise community ownership and community enterprise as levers to promote local growth that benefits everyone. People can see and feel the impacts of growth and regeneration in their neighbourhoods and on their high streets.

- We estimate that with, for example, a £200m pot over five years, several hundred additional community asset projects would be enabled, but much of the underlying demand would remain unmet. Many viable projects would continue to stall or lose their assets. If, on average, assets in community ownership provide £67,000 in gross value added (GVA) to the economy per annum,⁴⁶ this would mean up to an estimated £22m in net GVA to the economy per annum once all additional projects have been invested in.

Ambitious (system-level response)

Scenario:

- A National Community Ownership Strategy is deployed to deliver long-term, investment, support and enabling policy. Community ownership is embedded as an outcome across a range of different policy areas and initiatives.
- Government identifies community ownership as an issue for significant cross-department and cross-sector mobilisation. They help realise a £1bn long-term community assets fund through significant early investment and by convening philanthropic capital, social and impact investment, and public sector investment and support.
- Small pots of early-stage funding for the development of asset proposals would help communities bring forward stronger bids for the CRTB and other routes to asset ownership. Communities could then progress to larger-scale blended or repayable investment as a second stage of funding for acquisition (similar to the two-part process of the Scottish Land Fund).⁴⁷
- Inclusion of non-repayable investment enables terms of social finance to be softened, improving take up of repayable finance, and higher proportion of grant can be delivered where needed to promote equity.
- Funders of community ownership help to maintain a healthy support/infrastructure sector. This is brought into programme design conversations early and is funded to address community needs and respond accordingly with tailored, flexible support and peer networks.

Outcomes:

- Long-term and large-scale funding for community ownership is achieved. The establishment of a cross-sector investment fund enables different types of funding (e.g, grants, repayable investment, potentially underwriting loans) and at different stages of development, enabling greater flexibility to the needs of different communities.
- Better coordination between policymakers and the impact economy, promoting positive social, economic and environmental outcomes for communities.

- Better policy coordination - government recognises the role of community ownership across a range of policy objectives (such as boosting growth, promoting community cohesion and connection, and delivering better, more people-centred public services). The role for community enterprise/ownership is more joined up across different policy areas.
- This strategy shift results in widespread and successful use of the CRTB, as communities have the policy and funding/support to take on assets. Seeing its success, government is motivated to provide further policy support that enables community power - such as around the right to shape (and deliver) public services and the right to control investment at a community/neighbourhood level.
- Significant expansion in the number and sustainability of community-owned assets. We estimate that a pot of £1bn, even after setting aside support costs and making realistic assumptions about project size and delivery capacity, could back several thousand community asset projects over five years, covering a substantial share of the estimated demand. Large scale investment in these assets could return as much as £95m worth of net GVA to the economy per annum.
- More confident, supported, ambitious, and accountable, community organisations and businesses overcoming barriers and achieving broad and lasting economic, social and environmental benefits.



	Basic	Intermediate	Ambitious
1. Does it foster the economic/ environmental as well as social benefit of community ownership?	<p>Somewhat</p> <p>While some funding continues to flow to community ownership, the scale of supply of finance doesn't meet demand, so while it does foster economic and environmental benefit, it only does so for certain projects.</p>	<p>Somewhat</p> <p>Coordination of funding is built on an understanding of the economic, environmental, and social benefits of community ownership, but there is still risk supply doesn't meet demand.</p>	<p>Yes</p> <p>A new Community Ownership Strategy sets new expectations on the role of community ownership across government departments, funders, and investors.</p>
2. Is it inclusive of the broad range of community ownership project and asset types?	<p>No</p> <p>There is still a mismatch between the support and funding in offer and the complexity of different projects and their funding needs. We don't see a step-change in growth of non-traditional projects.</p>	<p>Somewhat</p> <p>The range and scale of support available means more complex projects are supported. However, there is still some fragmentation between different sectors (e.g, housing, energy) which means they progress at different rates.</p>	<p>Yes</p> <p>The new strategy and coordinated funding and support means that community ownership is seen as a tool by a broader range of sectors. The scale and variety of funding means different asset types at different stages are supported.</p>
3. Does it provide patient funding at scale that can flex to community needs?	<p>No</p> <p>The supply of finance doesn't meet demand. While a single point of access makes the system easier to navigate, there still isn't enough interaction between philanthropy and social investment, so the transition between grant and repayable finance is difficult.</p>	<p>Yes</p> <p>Philanthropic and/or social investors pool funds to create larger pots for investment. Support and advice sit alongside these pooled funds making the system much easier to navigate, and they build literacy of the diverse range of finance options.</p>	<p>Yes</p> <p>Long-term and large-scale funding for community ownership is achieved. A cross-sector investment fund enables different types of funding.</p>
4. Does it support equity and provide complementary non-financial interventions?	<p>No</p> <p>Some funds with a focus on community ownership have non-financial support attached, but this is piecemeal, and many groups that would benefit from early-stage or transitional support fall between the cracks if they're not in receipt of specific funds.</p>	<p>Somewhat</p> <p>Non-financial support is coordinated alongside the provision of funding, with a focus on enabling communities from areas of high deprivation and from minoritised backgrounds to develop projects.</p>	<p>Yes</p> <p>There is a strong, coherent non-financial support offer flowing from the National Community Ownership Strategy and the cross-sector investment fund. This involves communities early, and they help shape it. Development support at an early-stage means significant take up of the CRTB.</p>
5. Does it clarify and promote the role for local government in promoting community asset ownership? Is there complementarity with other government policy priorities?	<p>No</p> <p>In pockets, local authorities guarantee a single point of contact and up-skill their following the introduction of the CRTB. However, there are still many areas of poor practice, due to a lack of sufficient central guidance and support. Community ownership is still largely seen as a niche concern within the Ministry of Housing, Communities and Local Government (MHCLG), and its potential in other policy areas isn't realised.</p>	<p>Somewhat</p> <p>Galvanised by the pooling of funding and support, many local and strategic authorities utilise community ownership and community enterprise as levers to promote local growth that benefits everyone. There is increasing understanding across funding and philanthropy of the broad benefits of community ownership, but this doesn't yet impact a broad swathe of government policy.</p>	<p>Yes</p> <p>National leadership drives local and regional behaviour. The Strategy clearly defines the complementary roles of funders, philanthropy and strategic and local authorities. It sets a framework for funding and support to enable each to play this role. Government also recognises the role of community asset ownership across a range of policy objectives (such as boosting growth, promoting community cohesion and connection, and delivering better, more people-centred public services).</p>



6.

**Realising ambitions
- our calls to action**

If we are to realise the potential of community ownership, the status quo approach - a fragmented, highly competitive funding landscape, set apart from policy and lacking in dedicated support - will not do.

The announcement of the CRTBF has moved us forward - but it hasn't changed the game. So, here we set out the steps that a range of partners would need to take to seize this moment and build unstoppable momentum behind a community ownership revolution.

First, we can ensure the Community Right to Buy Fund takes us from the "basic" to the "intermediate" scenario, through strategic coordination with funders and social investors.

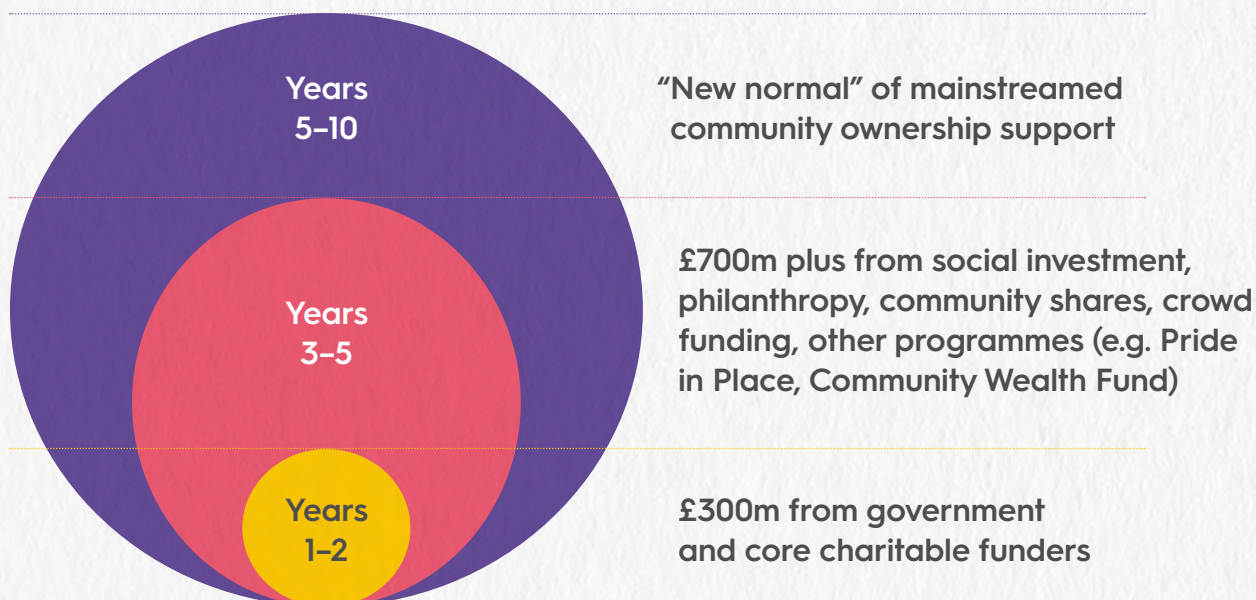
Second, we can make this a downpayment on our "ambitious" scenario, catalysing a long-term, strategic approach to community ownership investment and support.

For it is clear that no one part of the funding and support ecosystem - be it government, trusts and foundations, or social and impact investment - can support the ambitions of community asset ownership sufficiently alone. Instead, they must come together to provide funding and support at a scale that is commensurate with demand, sufficient revenue funding to enable early-stage development activity for asset projects, and with wraparound, independent support to enable equity of access.

As set out in the ambitious scenario, this collective investment could total more than £1bn built over the next five years. In broad terms and in line with previous interventions, we would expect this to be allocated as 75 per cent capital, 20 per cent revenue, and five per cent for independent support. Some projects will require greater levels of revenue and others less. Depending on the nature of investment, and at which point in the community ownership lifecycle, some funding might need to be closer to 50/50. So these are headline allocations rather than a precise formula and the exact needs would be managed flexibly at a scheme level.



This diagram sets out in broad terms how we think we can build from our intermediate to ambitious scenarios over five years. We then describe in more detail how the different elements would come together.



Government support and funding alignment

With the CRTB now in statute, the government should set the conditions for success by committing to funding community ownership and convening other backers to build an ambitious but viable £1bn over the next five years. The introduction of the £61m CRTBF in June 2026 provides a downpayment on investment. Scaling this to a £200m commitment at the 2026 Autumn Budget would leverage significant co-investment, support early take-up of the new CRTB and expanded ACV registrations.

This should be catalysed through MHCLG working cross-government to develop a National Community Ownership Strategy, with the central goal of increasing community ownership and its associated social, economic and environmental benefits. The Strategy should be anchored by the £200m funding commitment.

The Strategy should embed community ownership as a strategic objective across key government priorities, including housebuilding, neighbourhood health centres, renewable energy expansion, and delivery of the manifesto commitment to double the size of the co-operative and mutual sector.

It should also be mainstreamed within neighbourhood-led renewal programmes such as Pride in Place, with a dedicated funding percentage for community ownership to generate a sustainable legacy from place based investment. Given Pride in Place funding is already in train, a five per cent

target would deliver significant gains in community asset ownership without major changes to local spending profiles. Providing support and guidance to Pride in Place areas can help to facilitate support for community ownership projects without overdirecting spend.

However, future funds coming online in the near future, including the Community Wealth Fund (CWF), should have more ambitious targets, recognising the central role of community assets in creating long term value. We therefore recommend that the CWF allocates between 10 and 20 per cent of total funds to community asset ownership.

Alongside MHCLG, the Office for the Impact Economy in the Cabinet Office should play a key role in crowding in further investment from the impact economy, working in close partnership with social investment intermediaries such as Access.

Trusts and foundations

The other early major players that can catalyse significant co-investment are major trusts and foundations. We need to see concerted movement in the first year to develop a dedicated fund(s) for community ownership.

In practice, this is likely to be catalysed by a handful of major funders like The National Lottery Community Fund, with trusts and foundations and sector-specific funds following an initial capitalisation. An initial major investment in the region of £100m from key players could crowd in other funders over time, and pave the way for small and medium-sized grant funders, and place and sector-specific funders to come onboard, building to the £200m target identified in our intermediate scenario and likely beyond over the course of the next decade.

Two key insights highlighted by our research build confidence that a significant initial investment could play a catalytic role.

The first is the local match funding leveraged by the COF. Our analysis shows that, **on average, an additional £2.26 was levered for every £1 of government grant**. This was drawn from a range of sources, including trusts and foundations, alongside social investment, community shares and local fundraising.

The second is our analysis of the COF funding directory set out in the report appendix, which details a range of different funds supporting community ownership across the UK at a conservative estimated value of £271m per year.

Taken together, these show that while insufficient to meet the current scale of demand, there is a range of different funds out there, which a new strategic investment of dedicated community ownership funding could draw together.

Social and impact investment

This commitment to capital and revenue grants from philanthropic funders could leverage significant additional repayable finance from social investors - in particular from blended finance deals which tailor an appropriate mix of grant and loan finance to specific projects, and locally raised community share offers.³¹

Crucially, this coordinated approach would enable affordable repayable finance to be targeted towards more mature asset projects with established income streams to support repayment, enabling grant funds to flow to projects at the earlier stages and in areas of deprivation, overcoming barriers to progress and ensuring more equitable access to funds.

So, as well as being more efficient, this coordinated approach would also remove the burden of raising match locally from hard-pressed community groups, levelling the playing field for those facing structural disadvantage.

Our conservative assumption is that every £1 of grant could leverage an additional £1 of repayable finance. This is, of course, an average, with more mature asset projects able to sustain greater levels of debt, and new community ownership projects in “doubly disadvantaged” neighbourhoods likely to need significant ongoing grant subsidy.

Community shares

Perhaps the greatest social investment opportunity for communities comes in the form of community shares. Locality is one of the founder members of the Community Shares Unit (CSU), along with Co-operatives UK and the Plunkett Foundation, with support from Power to Change and Access.

In the last decade, over £230m has been raised in community shares, from over 175,000 people. Community shares are the one form of social investment that generates broad community ownership, a sense of renewed pride in communities, and a genuine method of enabling community power, as investors become voting members of the society with a stake and voice in future success.

They also work well in disadvantaged areas, especially when an institutional investor - like the Community Shares Unit’s Booster Fund - backs a share offer with matched equity. So, for every £1 the community raises, Booster will match that on the same terms up to an agreed limit. To date, the Booster

Fund has invested 50 per cent of its equity in the 30 per cent least affluent areas. Community shares are also shown to be a resilient form of finance; 92 per cent of societies who have raised money through community shares are still trading.

Community Shares formed a significant part of the COF. Analysis from the CSU suggests 78 groups have matched COF awards with community shares. That is 20 per cent of awardees, representing an additional £20m of community share capital being raised for circa £20m of COF grant, from around 11,700 new community investors.⁴⁸

This demonstrates how a COF-style investment of grant from government and strategic funders could leverage significant sums in community share finance.

Strategic and local authorities

With increased impetus behind community ownership from central government, funders, and investors, we'd expect to see continued leadership from local and strategic authorities on this agenda – such as that displayed by Andy Burnham during his time as Mayor of Greater Manchester, and Kim McGuinness in the North East. Dedicated community ownership strategies should be developed across several regions and funding from local growth funds used to support community asset ownership and development.

Regional and local government should also identify opportunities for joining up community ownership to other areas of local strategy like renewable energy and health and social care transformation, by creating opportunities for procurement from community organisations and businesses for public service delivery.

Local government movement on this agenda would need to be supported by targeted capacity building support from central government, in partnership with the Local Government Association (LGA).

All local authorities should develop, maintain, and publish a community asset strategy which positions communities as a first, not last, resort for the disposal of public assets – particularly those designated as ACVs – to safeguard their function as social infrastructure against privatisation or disuse. This should prioritise the transfer of high-quality community spaces, not assets which are likely to present financial liabilities to community organisations and businesses.

This should also set ambitions to use existing powers like CPOs and HSRAs to facilitate long-term community ownership of spaces, as well as explaining how local authorities will build their capacity and capability to meet demand for community ownership – including supporting the registration of ACVs and use of the CRTB.

Support infrastructure

As highlighted above, alongside the development of a large-scale fund focused on asset purchase and renovation, project funding must also include investment in community ownership support infrastructure.

We have modelled this support at five per cent of any total fund. An initial year one investment of £100m would therefore equate to £5m for support.

In practice, this “Community Ownership Support Engine” could build on the lessons of the COF support provider consortium, as well as previous models such as the Asset Transfer Unit. This would enable collaboration between sector anchors, providing multi disciplinary expertise, UK-wide geographic coverage, and credibility with funders and government.

The Engine would provide practical support and advice to groups (from early-stage feasibility through to post acquisition sustainability), facilitate coordination across funds and government programmes such as Pride in Place’s Network for Neighbourhoods, maintain up to date data, and generate insight to inform policy.

This could be catalysed by a single funder or a strategically aligned group. The Community Ownership Support Engine should be established as an independent entity, operating outside individual funding cycles, and building on past models such as the Asset Transfer Unit.



The new normal

Our ambition is that through significant coordinated investment and support, community ownership can become the new normal - not the notable exception funded through one-off, short-term programmes.

Supply of funding and support will not only begin to meet existing demand but also facilitate further take-up of community ownership - particularly as tools like the CRTB begin to be mobilised, and by local authorities providing support to strong community bids for asset ownership through CAT or the use of other regeneration tools like CPOs.

In turn, we hope this can build the recognition of this tool for social connection, local economic development, and community empowerment and see further support (including funding) for community ownership mainstreamed into different policy programmes - from neighbourhood renewal to public service improvement.

We already have one great example of where community ownership has been mainstreamed into government policy - the Local Power Plan.⁴⁹ Here, the Department for Energy Security and Net Zero has made community ownership a central plan, providing £1bn of funding to support communities to own energy assets. This is a huge opportunity to not only decarbonise our energy supply, but to build sustainable community infrastructure as we do it.

The National Community Ownership Strategy we propose provides a means to unleash this kind of ambition right across government. It could help ensure that the health-creating power of community ownership is built into the bricks and mortar of new neighbourhood health centres. And it could ensure that residents of new towns and regenerated estates feel control over the development of their areas, through community-led housing and community-led hubs.

With ambitious funding and clear coordination, we can inspire a step change in community ownership. We can shift it solely from the communities agenda on the edges of government thinking to a mainstream concern right across national policy. ■



Appendix - Funding directory analysis

As match-funding was a central requirement for the COF, the provider support contract maintained an ongoing directory of active funders to support potential applicants with their “funding cocktail”.

While we cannot say this funding directory is definitive, it was refined over time to capture 80 funds in total - 50 UK-wide, 14 England-only, seven Scotland-only, five Northern Ireland-only, and one Wales-only.

An analysis of the breadth, type, and structure of funds represented reveals a great deal about the state of the community asset funding ecosystem over the last three years.

1. A diverse but highly fragmented funding ecosystem

The directory shows national funders spanning:

- major lottery distributors
- charitable foundations
- social investors
- blended finance providers
- energy-focused funds
- heritage and built environment funders
- regional trusts and utility linked foundations.

This breadth indicates a broad funding marketplace. While the proliferation of grants, loans, blended finance and specialist funds could be read as a healthy supply, it can equally be read as showing a fragmented system with no single strategic spine.

The directory shows dozens of unrelated programmes, each with its own criteria, timelines, language, priorities, and jargon, spread across multiple sectors (heritage, sport, energy, small grants, etc). A large proportion of listed grants sit under £10,000 to £20,000. This also suggests that funders are trying to reach more organisations with small amounts, signalling an assumption that capital must be built from multiple sources.

For many community organisations and businesses, this patchwork is bewildering and resource intensive to navigate. Moreover, those with higher social capital who can stitch the tapestry together are more likely to succeed, which is a major equity issue.

2. Large, comprehensive, community-asset-scale capital funds are extremely scarce.

The funding landscape is dominated by small and medium-sized pots - £10,000 to £150,000. The limited availability of major capital programmes means large projects are forced into heightened competition, often across sectors and against non-community actors.

Apart from the COF, the only genuinely “mega-scale” funding relates to housing and regeneration, not community buildings (this is through Homes England). The largest community-sector capital injections are social investment, not grants, but many community buildings cannot reliably create surpluses.

Therefore, to our knowledge, there is no systemic availability of ~£5m capital acquisition and refurbishment grants for community buildings at scale.

3. Structured funding pathways are rare, meaning many groups fall through the gaps

Some funders (e.g, Architectural Heritage Fund) provide a clear stepped pathway from viability to project development to capital delivery. But most major funds do not integrate early stage costs, capital build, energy improvements, and revenue to run the building in the early stages and long term sustainability support. This creates drop off points, especially for smaller, newer organisations in places with fewer professional networks.

4. Regional disparities are visible

The directory shows substantial regional variation. In England, the strongest regions are Yorkshire, the North East, the West Midlands, and the South West. There is also a pattern of thematic funds - heritage, energy, and sport.

Scotland is relatively well-served by a uniquely strategic, government-backed land and asset ownership agenda. Wales is patchier with reliance on the Postcode Community Trust and UK-wide funders. Northern Ireland has two specific heritage programmes and a strong tradition of independent charitable trusts.

5. Energy efficiency funding is a theme, but it's not adequate

Across the directory, some funders are targeting energy efficiency/decarbonisation (e.g, Big Issue Invest, Key Fund, Crowdfunder x Co-operatives UK, Sport England, Garfield Weston, Screwfix Foundation, multiple regional postcode trusts, and Northern Powergrid Foundation). But the available funds are mostly small or piecemeal, and do not meet the ageing community infrastructure requiring modernisation.

A recent report from the Social Investment Business (SIB) is unequivocal - community buildings are improving their energy efficiency far more slowly than other non-domestic buildings, and the gap is widening.⁵⁰ Since 2008, other non-domestic buildings have improved their energy efficiency 60 per cent more than community buildings.

And since 2017, the gap has widened further - other buildings improved at more than double the rate of community buildings. This results in higher energy bills, higher emissions, and higher regulatory risk for the community sector.

Coupled with the volatility in the external energy market, there is a high-risk exposure for community building owners. Community buildings, often old and inefficient, face the highest sensitivity to wholesale price spikes because they typically rely on gas/oil boilers, old heating systems, and poor insulation. SIB's research notes that poor energy performance is already leading to higher bills for the community sector.

How much does this amount to?

It's difficult to put accurate numbers on the quantum of funding, as most funders do not publish total annual budgets. Where they do, they rarely provide a breakdown of capital and revenue for community ownership as well as annualised investment.

However, we have produced a simple and conservative estimate based on the following viable assumptions suitable for strategic analysis:

1. Categorising funders in the directory, there are approximately:
 - 15 national major funders (The National Lottery Heritage Fund, Architectural Heritage Fund, Sport England, etc.)
 - 20-25 medium foundations (Garfield Weston, Wolfson, Clothworkers, etc.)
 - 20-plus small grantmakers (Screwfix, B&Q, Percy Bilton, etc.)
 - 8 social investors (SIB, Key Fund, Charity Bank etc.)
 - 12-15 nation-specific funds (Scottish Land Fund, NI AHF funds, Postcode Trusts etc.)

2. Assigning an annual estimate per category:

- National major funders (grants). Assumption: Average annual capital across 15 funders = £12m each (median). Total = £180m
- Medium foundations (mostly mixed or capital-enabled). Assumption: 25 foundations × £1.2m annual capital average. Total = £30m
- Small grantmakers. Assumption: 20 funders × £0.15m capital/year. Total = £3m
- Social investors (capital loans, blended finance). Assumption: Key Fund, SIB, Charity Bank, NatWest, SCC = £45m/yr. Assume 40 per cent of the combined capital lending goes to buildings. Total = £18m
- Nation-specific. Scotland: Scottish Land Fund + Sport Scotland + Postcode Trust share £25m. Northern Ireland: AHF NI + CFI + others £10m. Wales: £5m. Nation total (unique funds): £40m.

Taken together, these assumptions conservatively suggest a UK-wide sum of **£271 million per year** in capital available to community asset projects.

Conclusion

Based on our analysis of the recent funding marketplace, its strengths include many active funders, good accessibility to repayable finance and the growing availability of energy-efficiency investment.

However, community infrastructure is systemically underfunded, and large capital projects face increasing competition. The scattered funding landscape also creates administrative burdens, which favour applicants with staff capacity or access to specialist fundraisers. ■



Endnotes

1. Archer, T., et al., Power to Change, 2019, "Research Institute Report No. 21 - Our assets, our future: the economics, outcomes and sustainability of assets in community ownership". Available at: <https://www.powertochange.org.uk/wp-content/uploads/2019/07/Assets-Report-DIGITAL-1.pdf>
2. Locality, 2018, "Powerful Communities, Strong Economies: The final report of the Keep it Local for Economic Resilience Action Research Project". Available at: https://locality.org.uk/assets/images/LOCALITY-KEEP-IT-LOCAL-ONLINE-revised-260318_full.pdf
3. Analysis conducted for this report.
4. Rowell, A. et al., Ortus Economic Research with Miller, S. for Power to Change, 2025, "The Economic Contribution of Community Business: From local impacts to national growth". Available at: <https://www.powertochange.org.uk/wp-content/uploads/2025/05/Power-to-Change-Economic-Contribution-Final-Report-v2.pdf>
5. Social Care Institute for Excellence, 2011, "SCIE Research Briefing 39 - Preventing loneliness and social isolation: interventions and outcomes". Available at https://www.researchgate.net/publication/273445886_Preventing_loneliness_and_social_isolation_interventions_and_outcomes
6. Locality, 2024, "The VCSE sector in Prevention and Primary Care: Improving practice through real world learning". Available at: <https://locality.org.uk/reports/the-vcse-sector-in-prevention-and-primary-care>
7. Bagnall, A. et al., What Works Wellbeing, 2018, "Places, spaces, people and wellbeing". Available at: <https://whatworkswellbeing.org/product/places-spaces-people-and-wellbeing/>
8. Architectural Heritage Fund, Community Shares Unit, Coops UK, Cwmpas, Development Trusts Northern Ireland, Development Trusts Association Scotland, DTA Wales, Locality, Plunkett UK, Shared Assets, Sporting Assets
9. Wallis, E., Fabian Society, 2025, "Social Democracy Now". Available at: <https://fabians.org.uk/publication/social-democracy-now/>
10. Ministry of Housing, Communities & Local Government, 2008, "Communities in control: real people, real power". Available at: <https://www.gov.uk/government/publications/communities-in-control-real-people-real-power>
11. Locality, 2018, "People Power - Findings from the Commission on the Future of Localism: Summary Report". Available at: <https://locality.org.uk/assets/images/People-Power-summary-report.pdf>
12. Ministry of Housing, Communities & Local Government, Department for Levelling Up, Housing & Communities, 2024, "Community Ownership Fund round 1: prospectus. Available at: <https://www.gov.uk/government/publications/community-ownership-fund-prospectus/community-ownership-fund-prospectus>
13. See: <https://locality.org.uk/what-is-community-right-to-buy>
14. Locality, 2016, "Places & Spaces: The future of community asset ownership". Available at: <https://locality.org.uk/reports/places-spaces-the-future-of-community-asset-ownership>
15. Ibid, 14
16. Billingham, Z., et al., IPPR North, 2023, "Parallel lives: Regionally rebalancing wealth, power and opportunity". Available at: <https://www.ippr.org/articles/parallel-lives>
17. Inman, P., The Guardian, 2025, "English councils plan to sell off social clubs and sports centres to balance books". Available at: <https://www.theguardian.com/society/2025/nov/15/english-councils-sell-off-social-clubs-sports-centres>
18. For example, 62 per cent of Locality members are located in Indices of Multiple Deprivation (IMD) deciles 1 to 3, and 33 per cent are in IMD 1.
19. Ibid, 2
20. Ibid, 5
21. Ibid, 6
22. Ibid, 7
23. Archer, T., et al., Power to Change, 2019, "Technical report - Our assets, our future: the economics, outcomes and sustainability of assets in community ownership". Available at: https://www.powertochange.org.uk/wp-content/uploads/2019/07/Our-assets-our-future_Technical-Report.pdf
24. Ibid, 14
25. Department for Culture, Media & Sport, Department for Levelling Up, Housing & Communities, 2025, "Government response to the technical consultation on the design of a Community Wealth Fund in England". Available at: <https://www.gov.uk/government/consultations/technical-consultation-on-a-community-wealth-fund-in-england/outcome/government-response-to-the-technical-consultation-on-the-design-of-a-community-wealth-fund-in-england>
26. See: <https://www.tnlcommunityfund.org.uk/funding/funding-programmes/scottish-land-fund>
27. Scottish Housing News, 2025, "Renewed land fund 'vital for continued community ownership success'". Available at: <https://www.scottishhousingnews.com/articles/renewed-land-fund-vital-for-continued-community-ownership-success>
28. See: Locality, 2021, "Keep it Local: Manifesto". Available at: <https://locality.org.uk/assets/images/Keep-it-Local-Manifesto-March-2021.pdf>; Locality, 2020, "We Were Built for This". Available at: <https://locality.org.uk/reports/we-were-built-for-this>
29. <https://www.gov.uk/government/news/pubs-shops-and-local-assets-protected-with-communities-in-charge>
30. Ibid, 8
31. Ibid, 1
32. Ibid, 4
33. Ibid, 4
34. Ibid, 5
35. Ibid, 6
36. Ibid, 7
37. Department for Culture, Media & Sport, 2025, "Evaluation of the Energy Efficiency Scheme: Full Report". Available at: <https://www.gov.uk/government/publications/energy-efficiency-scheme-evaluation-202425/evaluation-of-the-energy-efficiency-scheme-full-report--3>
38. Department for Levelling Up, Housing & Communities, 2023, "Anti-social behaviour action plan to help communities take back control of high streets". Available at: <https://www.gov.uk/government/news/anti-social-behaviour-action-plan-to-help-communities-take-back-control-of-high-streets>
39. Simpson, E., BBC News, 2021, "UK loses 83% of department stores since BHS collapsed". Available at: <https://www.bbc.co.uk/news/business-58331168>

40. Gregory, D., Stir to Action, 2024, "New Social Spaces". Available at: <https://www.stirtoaction.com/articles/new-social-spaces>
41. Co-operative Party, 2024, "Unleashing Community Ownership: Report of the Community Ownership Commission". Available at: <https://party.coop/wp-content/blogs.dir/5/files/2024/01/20240104-community-ownership-report-final-compress.pdf>
42. The Quirk Review, 2007, "Making assets work: The Quirk Review of community management and ownership of public assets". Available at: https://library.uniteddiversity.coop/Community_Assets/Makingassetswork.pdf
43. Ibid, 17
44. Ministry of Housing, Communities & Local Government, 2025, "Communities to seize control over high streets and restore pride". Available at: <https://www.gov.uk/government/news/communities-to-seize-control-over-high-streets-and-restore-pride>
45. Bolton, M. and Dessent, M., JRF, 2024, "Focusing on doubly-disadvantaged neighbourhoods", Available at <https://www.jrf.org.uk/neighbourhoods-and-communities/focusing-on-doubly-disadvantaged-neighbourhoods>
46. Ibid, 1
47. Ibid, 29
48. Community Shares Unit, 2024, "Community Shares Unit: Impact Report 2024", Available at: <https://www.uk.coop/resources/community-shares-unit-impact-report-2024>
49. Great British Energy and Department of for Energy Security and Net Zero, 2026, "Local Power Plan". Available at: <https://www.gov.uk/government/publications/local-power-plan>
50. Social Investment Business, 2024, "Energy efficiency of community buildings across England: A descriptive analysis. Available at: <https://www.sibgroup.org.uk/new-research-from-sib-shows-community-buildings-are-improving-at-less-than-half-the-rate-of-other-buildings/>



Locality supports local community organisations to be strong and successful. Our national network of over 2,000 members helps hundreds of thousands of people every week. We offer specialist advice, peer learning and campaign with members for a fairer society. Together we unlock the power of community.

Locality
33 Corsham Street
London N1 6DR
0345 458 8336

locality.org.uk

 @localityorg

 @locality.org.UK

 @localityUK

Locality is the trading name of Locality (UK) a company limited by guarantee, registered in England no. 2787912

Registered charity no. 1036460

Power to Change

Power to Change is the think-do tank that backs community business from the ground up. We turn bold ideas into action, so communities have the power to change what matters to them.

Power to Change
The Clarence Centre
6 St George's Circus
London SE1 6FE

powertochange.org.uk

 [@powertochange.org.uk](https://twitter.com/powertochange.org.uk)

 [@the-power-to-change](https://www.linkedin.com/company/the-power-to-change)

Power to Change Trustee LTD is a company limited by guarantee, registered in England and Wales, no. 08940987

Registered charity no. 1159982



Esmée Fairbairn Foundation aims to improve our natural world, secure a fairer future and strengthen the bonds in communities in the UK. We unlock change by contributing everything we can alongside people and organisations with brilliant ideas who share our goals.

The Foundation is one of the largest independent grant-makers in the UK. In 2025, we provided £52.9m in funding towards a wide range of work in support of our aims. We also provide social and impact investment for organisations with the aim of creating social and environmental impact.

Esmée Fairbairn Foundation
6th Floor
210 Pentonville Road
London N1 9JY

esmeefairbairn.org.uk

 [@esmeefairbairn.bsky.social](https://bsky.app/profile/esmeefairbairn.bsky.social)

 [@esmee-fairbairn-foundation](https://www.linkedin.com/company/esmee-fairbairn-foundation)

Registered charity no. 200051

