

DEVELOPMENT TRUSTS ASSOCIATION SCOTLAND

Our Journey as a Funder: **Recovery and Resilience Programme** *Pre Launch Report*

December 2025

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Executive summary:

Development trusts play a vital role in sustaining community life across Scotland, yet many continue to face growing pressures as they respond to unmet needs, rising costs, and insecure funding. At a time when the loss of community spaces is linked to increasing social fragmentation, the importance of resilient, community-owned organisations has never been clearer.

In 2025, Foundation Scotland approached DTAS with an opportunity to distribute up to £5 million to community anchor organisations. Drawing on sector evidence and DTAS's own learning, it became clear that short-term, project-based funding was incompatible with the long-term nature of the work development trusts deliver. This prompted a shift from a traditional fund to a more holistic programme rooted in six core pillars of organisational resilience.

Between **May and August 2025**, DTAS undertook an extensive design process involving internal teams, members, external partners, and a pilot with six member organisations. Members strongly endorsed the proposed approach, emphasising the need for proportionate processes, trust-based assessment, and support that reflects their lived realities. The programme was refined to ensure accessibility, flexibility, and meaningful monitoring focused on learning what interventions build long-term resilience in community organisations.

The resulting Recovery and Resilience Programme, launched in October 2025, provides a structured pathway combining DTAS support, training, and grants of up to £100,000 over two years. It is designed to help development trusts stabilise, prevent crises, and strengthen their long-term resilience across the six pillars: Purpose; Governance and Leadership; Finance, Funding and Enterprise; People and Operations; Communications, Engagement and Impact; and Assets.

This programme marks a significant step in supporting development trusts not only through immediate challenges but towards a more resilient and sustainable future for the communities they serve.

Background:

The [Development Trust Association Scotland \(DTAS\)](#) is a member-led organisation representing around 350 development trusts, plus 40 associate members and around 50 organisations in our 'aspiring membership' category. We also deliver support to hundreds of community organisations out with our membership through the [Community Ownership Support Service](#), and the [Democratic Finance programme](#).

Development trusts are community anchor organisations which are: place based, community-owned and led, and have an enterprising approach. These organisations sit at the centre of their communities responding to market failures such as the widespread closure of vital community assets, lack of housing provision, rural depopulation, and limited economic opportunities. Our [DTAS member stories](#), demonstrate the transformative power of development trusts, from renewable energy ownership and tackling fuel poverty in Tiree, to sustainable regeneration on the Isle of Eigg, and climate action and anti-racism work in central Glasgow.

Despite their diverse and remarkable achievements many development trusts remain entrenched in a reactive position, responding to unmet community needs and stepping in when essential services are threatened. Increasingly these organisations are providing previously fully funded public sector services, such as housing and social care, with limited short-term grant funding and volunteer labour¹ This dynamic has created a core tension between the ambition of community empowerment, and the reality of short-term underfunded local delivery, likely to worsen in the face of dwindling public sector budgets and grant funding.

At the same time, the importance of community spaces has never been clearer. Community spaces, the services they host and the organisations that run and manage them are vital in providing the spaces for community life to flourish. There are strong linkages between the closure of public community spaces and the rise of polarisation and far right extremism². Against this backdrop, the importance of community organisations like development trusts become especially urgent, as does addressing the challenges they face. These organisations are essential for connection, resilience, and shared purpose.

¹ <https://www.volunteerscotland.net/news/local-authority-budgets-vs-community-empowerment>

² <https://ippr-org.files.svdcdn.com/production/Downloads/Places-to-come-together-July-25.pdf?dm=1751982610>

Our Journey:

An opportunity from Foundation Scotland:

In February 2025, DTAS was approached in confidence by Foundation Scotland. They had identified an opportunity to work with DTAS to distribute up to £5m of Foundation Scotland funds to community anchor organisations at risk.

SCVOs most recent edition of the third sector tracker, detailed overview of the state of the third sector and the challenges faced, funding and finance come up repeatedly as top challenges. The top three most reported challenges faced by organisations surveyed were Rising costs and inflation (50%); Uncertainty about the future (41%); Financial and cash flow restraints (40%) and Difficulty fundraising (40%)³. Research done by DTAS in 2023 highlighted a high level of grant reliance among our members, with many reporting challenges around funding that affected their ability to deliver on activities, retain or recruit staff, and manage assets⁴. The core issue identified with traditional funding models is short termism. The third Sector Tracker highlights the precarious nature of funding, with only 13% of organisations having their full funding confirmed for 2025–26, and 36% having had no confirmed funding at all for that period.

This uncertainty is incompatible with the long-term nature of the work communities deliver. It undermines stability, limits ambition and forces organisations to divert resources from delivery to constant fundraising.

DTAS began its own internal crisis support service in 2024, following on from in-depth work with members in partnership with external services, particularly Just Enterprise. The initial participants of the service were stabilised over a period of 12 – 18 months and required support particularly around finances. The development officers pinpointed underperforming income areas, delivered Xero training, conducted technical surveys, reworked existing debt, offered direct support to address burnout among staff and improve relationships with the Board. There was also referral to external organisations for HR support to deal with formal grievances and improve communication and understanding of their key role in the wider community. Initially, DTAS used its own expertise within the membership team and existing member benefit partners to pivot quickly to provide the responsive support needed. DTAS also drew on the internal COSS Facilities Management service to fund the technical surveys and our Greenshoots fund to cover top-up costs beyond the trust's reserves.

In both cases these trusts would initially have articulated their need as being more stable funding to employ staff. However, the service demonstrated that what these organisations needed was an in-depth and holistic analysis of their resilience, with a focus on the Board

³ See full details of the latest third sector tracker here: <https://scvo.scot/research/scottish-third-sector-tracker/wave-10>

⁴ <https://dtascot.org.uk/wp-content/uploads/2025/03/DTA-Scotland-Members-Survey-2023-Full-Report-1.pdf>

itself, with a view to getting the organisation to become operational to get past the financial cliff-edge.

These cases formed the basis of our formal Crisis Support Service. A member of the Membership Support Team became the Crisis Support Lead (CSL), conducting the triage check-ins with the Boards and providing a workplan for interventions. Over the last 18 months, the CSL has engaged with 32 members signalling a crisis (most coming via their area Development Officer). 28 have started their engagement signalling a financial crisis, 4 engaged due to internal or external conflict. Most have been resolved within 6 months, but some are still in the resolution process. 1 is working through insolvency. The CSL works alongside the area's Development Officer to agree the intervention plan and to keep up the regular flow of information and deal swiftly with emerging issues.

Wherever there is financial distress, relationships are put under pressure and conflict emerges. As part of this work, DTAS has created new member benefit relationships to support the wider range of needs beyond legal, financial and HR to include mediation and community conflict resolution and professional communications support.

Building on these key insights, DTAS proposed that the fund should be unrestricted, to be used for both revenue and capital, but with a focus on crisis response and long-term resilience building interventions. A key requirement was engagement with DTAS Development Officers to work closely with organisations to assess their needs.

Internal discussions with DTAS senior staff identified that a resilient DTAS member could be described using six key pillars:

1. Purpose
2. Governance and Leadership
3. Finance and Funding (later expanded to Finance, Funding and Enterprise)
4. People and Operations
5. Communications and Impact (later expanded to Communications, Engagement and Impact)
6. Assets

Grant applications and DTAS support would be tailored around these six pillars.

After further discussions with Foundation Scotland, DTAS was awarded £5m by in April 2025. The purpose of the grant was agreed as providing financial support to DTAS members to support their recovery and long-term resilience.

From idea to development:

Following the award of the grant, an internal DTAS working group was set up to manage the development of the programme to launch, and accompanying materials, guidance and processes. The group counted on representation from all teams within DTAS, meeting regularly from May to August.

The working group was instrumental in the decision to take a more holistic support focused approach to developing and delivering the Recovery and Resilience funding.

Below is a summary of the working group's key milestones:

Testing the concept of Pillars of Resilience

The working group had extensive discussion the six core pillars of resilience from the outset of the programme in May 2025 to ensure that these were based on learnings from staff directly supporting DTAS members and from our learnings through the crisis support service. By grounding the Fund in these six pillars, we ensured that the approach reflected the lived realities of our members and created a shared language for what resilience means in practice. The pillars of resilience were further tested by consulting the DTAS membership (see below).

Balancing urban and rural requirements and member needs

In May 2025, Foundation Scotland confirmed flexibility around the original urban/rural funding split, adjusting the requirement to include areas classified 1–4 of the Scottish Urban Rural Classification and reducing the urban neighbourhood target from 60% to 50%. This was welcomed by the group as it better reflected the composition of DTAS membership and ensured fair access to funds across diverse communities.

Identifying DTAS priorities for the fund

In May and June 2025, the Working Group agreed on several key principles that would underpin the Fund.

- **Proportional application and reporting procedures:** designed to avoid burdening applicants with unnecessary bureaucracy while ensuring DTAS can meet requisite due diligence and reporting standards.
- **In-House support and referrals:** the group felt strongly that member organisations should be supported to build expertise within their own teams wherever possible, taking full advantage of DTAS support and training and using external organisation to provide direct support to members where it adds clear value.
- **Reframing success:** success should be understood as more than the award of a grant. The entire journey from pre-application to grant award and beyond was seen as central to the programme, with DTAS providing support at various stages and helping members to reflect and learn as part of the process.

Building capacity within DTAS

In parallel, we took this opportunity to reflect on DTAS's own internal processes, support offering, and staffing to ensure that we were equipped to deliver the Fund and meet the needs of members.

Internal and external support mapping: to identify existing strengths and gaps and consider where DTAS could best add value, and where collaboration or signposting might be more appropriate. Internal support mapping focused on how current staff expertise could be used to deliver the resilience support model. External mapping looked at reputable partners already working in resilience, financial sustainability, and governance.

Development of the application and pre-application process: Much of the application and pre-application process was developed during May and June 2025. The design process focused on aligning every element with the six pillars of resilience and ensuring that applications were meaningful yet proportionate.

The self-assessment form and accompanying spider diagram were key innovations at this stage. These tools allow members to reflect on their organisation's strengths and weaknesses across the six pillars, providing both a baseline and a way to measure change over time. We agreed that this reflective process would itself be a form of support, encouraging organisations to think strategically about their resilience. See below figure for an example of this tool in practice.

Alignment and monitoring and evaluation: By July 2025, discussions turned to how the process and documentation could align with both the six pillars of resilience and the outcomes agreed between DTAS and Foundation Scotland. The Working Group agreed that the monitoring and evaluation framework must balance the Fund's light-touch, proportional approach with the need to generate meaningful learning for both DTAS and members.

This approach will allow us to understand what resilience looks like in practice and to capture evidence of growth, not just successful project delivery.

Decision panels, grant amounts, and funding spread: We agreed that there would be two grant levels, with a single application process adapted proportionally for each. It was also agreed that decision panels would operate on two tiers:

- DTAS staff for small grants.
- Mixed internal/external panels for large grants.

This was done to ensure fairness and transparency while maintaining efficiency. The spread of funding across the fund's timescale was discussed in July 2025, with the Working Group agreeing to a programme end date of December 2028, allowing sufficient time for project delivery and learning.

Recruiting DTAS resource to manage the programme: Recognising the scale of delivery required, the group agreed in July 2025 to recruit two dedicated posts to manage the Fund: a Grant Officer and a Resilience Lead. These roles would strengthen DTAS's internal capacity and ensure members are well supported throughout the process.

Engagement with members and external partners:

Consultation with members:

We began our consultation and testing period in June 2025, to ensure the programme reflected members' realities and confirmed that our pillars of resilience resonated.

We ran two member events with over 120 sign-ups from members. The members overwhelmingly agreed with the pillars of resilience and provided valuable feedback on what these looked like in practice, and the kind of support that they required to improve their resilience.

We also asked members what a good funding application and process looked like to them. Common themes were:

- **Simplicity and Accessibility:** members consistently called for streamlined, proportionate, and intuitive application processes.
- **Flexibility in Design and Delivery:** both in the application content and in the use of funds once awarded.
- **Opportunity to build relationships with funders** to help groups feel understood, not just assessed.
- **Proportionate and Meaningful Monitoring & Evaluation:** Participants recognised the importance of evaluation but urged for it to be proportionate, creative, and aligned with what organisations are already doing.
- **Trust-based approach to applications:** participants emphasised the importance of trusting applicants especially as most members will have existing relationships with DTAS.

This feedback was incorporated into the design of the programme, including the processes and guidance being developed.

Pilot

To test the process in practice, we established a pilot programme with six members: Bridgend Farmhouse, Hawick Development Trust, Lambhill Stables, Oban Community Trust, Southwest Mull and Iona Development, and Wester Loch Ewe Trust. This pilot allowed us to refine our documentation and approach based on real feedback from members.

Feedback from members about the pilot process resulted in the following changes:

- Making the self-assessment report show red/amber/green rankings for each pillar.
- Providing Word versions of application forms in addition to PDFs.
- Modifying application forms to allow users to skip through sections before completing all fields.
- Recommending to the panel a 6-month timeframe for self-assessment validity.
- Increased detail in the guidance document providing information on what support could be offered and what funding could deliver.

Information Session with Members:

Following the Member consultation sessions and the Pilot engagement events we ran a series of information sessions for DTAS members. The purpose of this session was to provide another opportunity for members to feedback ahead of the launch.

External engagement and funders forum

Engagement with Foundation Scotland and other funders was ongoing throughout May and June 2025. The group noted the benefit of the Funders Plus approach, which allows for shared learning, collaboration, and a more coordinated offer to community organisations. DTAS representatives attended the first round of a newly formed 'Funders Forum' to provide an opportunity to continue developing this partnership approach and to explore how we can build a broader support ecosystem around RRP in future. Key funders represented in this forum are National Lottery, the Robertson Trust, and William Grant. The core purpose of this group is to support funders working towards providing holistic support to grantees, in the vein of the 1:1 support provided by DTAS and sharing information on what support organisation offers. More details on this forum will be provided to members as it continues.

Final steps, learnings, and launch:

By August 2025, the pilot phase was well underway, and early feedback was positive. Members found the self-assessment tool helpful in clarifying their needs and priorities, and the Working Group made small refinements to the guidance and wording based on this feedback. The monitoring and evaluation framework was finalised, and preparations began for the programme's official launch in October 2025.

The process of developing the programme has been iterative and collaborative, reflecting DTAS's core principles of proportionality, member-led design, and learning.

Final programme details

About the Recovery and Resilience Programme:

In October we officially launched the Recovery and Resilience Programme, thanks to funding from *Foundation Scotland*. **The programme is open to full and provisional DTAS members to help improve organisational recovery and resilience.**

The programme aims to:

1. Proactively support the long-term resilience of DTAS members.
2. Help DTAS members recover by gaining stability and building capacity.
3. Prevent DTAS members from escalating into crisis.

Recovery is the time following an adverse incident or period of decline where an organisation puts in place the measures needed to improve and stabilise. For development trusts, this often involves addressing short-term needs and priorities to prevent the organisation from slipping into crisis, and then taking the steps required to build towards a place of greater stability.

Resilience is the ability and capacity to withstand difficulty. For development trusts, this means improving the organisation to make it stronger and more flexible. A resilient development trust can consistently deliver greater impact for its community by being well equipped to adapt to change and adversity.

Working with DTAS members, we have identified six key pillars which contribute to a resilient development trust:

1. Purpose
2. Governance and Leadership
3. Finance, Funding and Enterprise
4. People and Operations
5. Communications, Engagement and Impact
6. Assets

Through this programme, participants must deliver at least one of six outcomes linked to these pillars.

DTAS recognises that for the Recovery and Resilience Programme to best achieve its aims and have the greatest impact, it should provide access to both *direct support* and *grant funding*. This staged approach is designed to help build long-term resilience - where applicants can access support or training before progressing to grant applications if needed.

The programme provides a clear, supportive pathway from self-assessment and tailored guidance, through to targeted support and funding to help development trusts strengthen their resilience and continue delivering meaningful, lasting impact for their communities.

Members can apply for grants of up to a combined total of £100,000 over two years, with up to three applications permitted during the programme's lifetime. It will run from 27 October 2025 to 31 December 2027, with all funding to be committed and spent by December 2028. It is open to all DTAS full and provisional members.