

*Democratic  
Finance Scotland*

# **Annual Report**

*April 2025 - March 2026*

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# Democratic Finance Scotland

## Annual Report

### April 2025-March 2026

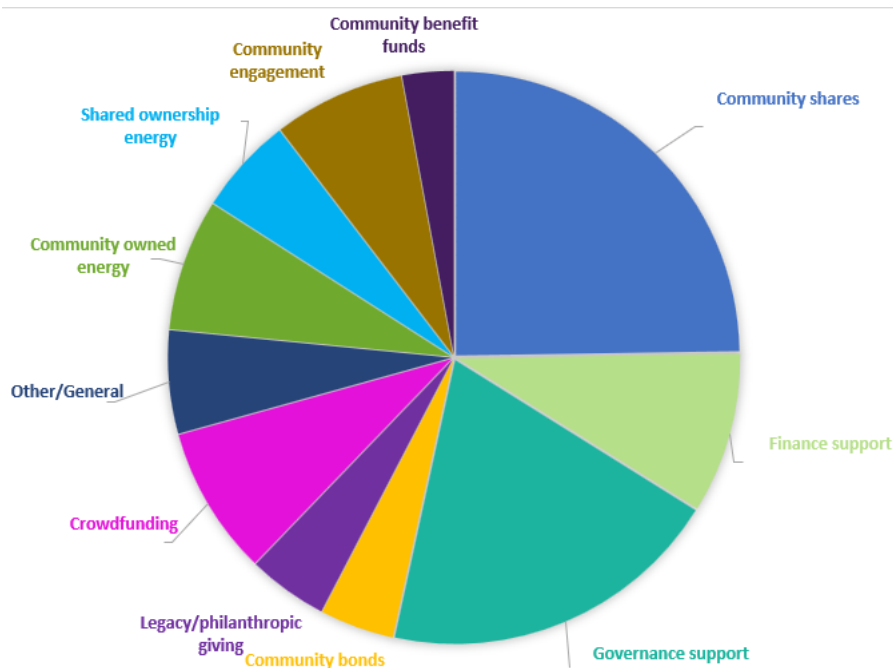
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# Democratic Finance Support for Communities

## Enquiries and Early-Stage Support

This year we have responded to 140 enquiries for early-stage support to explore democratic finance options. This far exceeds our estimated target of 50 organisations supported to start their democratic finance journey.

Early stage enquires by topic:



## In Depth Development Support

Some groups do not progress further with their democratic finance journey, or they bank the information for further down the line. The remaining organisations have progressed to in-depth development support from the DTAS Democratic Finance Team. The team have provided 283 support interventions to over 150 organisations this year focused on:

- Further exploration of democratic finance methods to explore best fit
- Community engagement and consultation
- Governance support including Community Benefit Society registration and Directors' training
- Ensuring democratic finance options are properly included in business plans and financial models
- Marketing and launch of a Democratic Finance offer
- After Care Support including running an initial AGM or submitting Annual Returns

### Evaluating our In-Depth Support

To access the quality and impact of our support we asked all supported groups from Oct 24 – Sept 25 to complete an Impact and Support Survey. We received 12 very comprehensive responses and a summarised report can be found here: <https://democraticfinance.scot/wp-content/uploads/2025/10/Democratic-Finance-Case-Impact-Survey-Report-24-25.pdf>

There is strong qualitative evidence that democratic finance offers and support from Democratic Finance Scotland increases organisational resilience, confidence and trading success

## Democratic Finance Offers Launched

This year we supported the launch of 14 Democratic Finance offers:

- 6 community share offers
- 2 crowdfunding campaigns
- 6 local legacy giving campaigns

Organisation	Type	Sector	Amount Raised	No. of Investors
Action Porty – Bellfield Church Big Build	Community Shares	Development Trust / Community Hub	£190,000	1,113
Glenuig Community Inn	Community Shares	Community Pub	£307,000	124
Macgregors Shop	Community Shares	Community Shop	£13,000	15
Broughton Community Shop	Community Shares	Community Shop	£2,150	86
Foyers Store, Café and Post Office	Community Shares	Community Shop	£20,000	40
Dùthchas Arainn Community Benefit Society	Community Shares	Community Land Ownership	£1,200	53
Brig Inn	Crowdfunder	Community Pub	£41,000	200
Fountainbridge Canalside Community Trust	Crowdfunder	Development Trust / Community Hub	£10,500	120
<b>TOTALS</b>			<b>£584,850</b>	<b>1751</b>

## Local legacy campaigns launched:

Local legacy giving has been a continued area of development this year. Following our initial pilot programme ([learning has been captured here](#)), six Development Trusts have launched a local legacy giving campaign this year:

- Whitburn and District Community Development Trust
- Portree and Braes Community Trust
- Bridgend Farmhouse
- Comann Eachdraidh Eirisgeidh (Eriskay Historical Society)
- Cranhill Community Development Trust
- Greener Kirkcaldy

As part of this work we have developed a partnership with legacy experts [Remember a Charity](#). Our pilot groups were offered funded membership of Remember a Charity giving them access to their legacy expertise and numerous resources- helping them to embed legacy giving as a long-term funding option for development trusts.

We will continue to support our pilot groups in 2026/27 and will be widening the local legacy giving support offer to the broader DTAS membership.

## Micro Grants Awarded

This year we have awarded 10 Micro Grants (average award £2,400) to supported groups totalling £24,000. Our Micro Grants support the marketing and launch of democratic finance offers including:

- Photography and videography
- Website development
- Social media campaigns
- Marketing materials design and print

## After Care Support

We continue to provide support to groups in the years after their democratic finance offer launch. This year we have supported numerous groups with:

- Running an initial AGM
- Submitting Annual Returns
- Membership matters such as managing interest payments and share withdrawals
- Rule amendments and governance queries
- Securing further funding for business growth

## Other Annual Highlights

### Community Energy Developments

Community energy has been a central focus throughout the year, with DTAS and the Democratic Finance Scotland programme playing an active role in both project delivery and wider system development.

Our work with the [Scottish Community Coalition on Energy](#) (SCCE) has continued at pace, including contributions to UK Government consultations, engagement with Scottish Government officials, delivery of a Community Energy Hustings and ongoing collaboration with sector partners.

A key milestone was the launch of the [Community Energy Launchpad](#) programme in partnership with Community Energy Scotland and Local Energy Scotland. This programme supports community groups to take early steps into renewable energy and shared ownership, and delivery has accelerated over the course of the year, with multiple events and direct support provided to participating groups.

We have also contributed, in particular, to the acceleration of shared ownership awareness and support in Scotland through our Shared Ownership Peer Learning Group, stakeholder engagement and focused workshops, and direct support to community organisations.

Alongside this, we have played a role in shaping longer-term community energy infrastructure, including progressing the concept of a Scottish Community Wealth Fund. This has included [commissioning a feasibility study](#), convening a roundtable at the Scottish Parliament, and ongoing collaboration with SCCE partners to explore delivery options.



Figure 1- Arran Community Renewables

## Decade of Community Shares Report

In January we launched our '[A Decade of Community Shares in Scotland](#)' publication. It has been just over a decade since we launched the Community Shares Scotland programme in partnership with the Community Shares Unit in 2014. The report celebrates the work of the programme to date, and how the community shares model has taken root and spread across Scotland, giving people a genuine say and stake in essential local community businesses.

Since the programme started in 2014, we have provided in depth and direct support to 70 community share offers collectively raising £21.8 million from over 21,468 investor members. This includes the small but essential community shops raising anything from £15,000 from their community; to community owned solar farms and hydro schemes raising over £2 million; multipurpose community hubs match funding capital grants and all sorts in between.

This £21.8 million of citizen finance has leveraged in over £32 million in additional funding for these projects, with a significant proportion of match funding from the Scottish Land Fund, instrumental in so many community buyouts across the country.

## Developing New Democratic Finance Models

A key focus this year has been expanding the range of democratic finance models available to community organisations- encouraging a move away from grant dependency towards more financial resilience. The programme continues to shift from a primarily community shares-focused offer to a more diverse and accessible democratic finance ecosystem.

### Local Legacy Giving:

As described above local legacy giving has been a major area of development and this support will continue into 2026/27.

### One-off Lotteries:

Alongside this, we have started a pilot to explore one-off community lotteries. Interest in this model was tested through DTAS member engagement, with a cohort of organisations now exploring the feasibility of piloting this model.

### Community Bonds:

We have progressed work on community bonds, completing initial research into the UK landscape and beginning to assess demand and applicability in Scotland. This work will inform future development of the model within the programme in 2026/27.

### Crowdfunding:

This year we have significantly expanded our support offer for donation and reward based crowdfunding campaigns. Organisations with a community led structure and an income generating model can now access 1-1 advisor support and a marketing Micro Grant. This work has included the launch of a [new guide on crowdfunding for community buy-outs of church buildings](#)- produced in collaboration work with our Community Ownership Support Service colleagues via DTAS' Former Places of Worship programme.

#### Common Good Funds:

In response to our DTAS member survey on Common Good Funds – which explored current awareness levels and engagement with Common Good Funds- we are currently writing a simple Common Good Fund resource. This will explore what Common Good Funds are, how communities can access and use them, plus links to Local Authority Common Good Fund webpages and information.

#### Community Shares Booster Fund:

Our partnership with Foundation Scotland on a Scottish Community Shares Booster Fund has progressed this year. A Booster match investment of approximately £15,000 in community shares was approved for Action Party's Bellfield Big Build share offer. We hope to undertake further partnership Booster investments with Foundation Scotland in 2026/27.



Figure 2- Broughton Village Store

## Community Benefit Society Registrations and Support

We continue to be the go-to support body in Scotland for Community Benefit Society registrations and expertise. This year we have supported several groups to register or amend a Community Benefit Society with the Financial Conduct Authority. We have also undertaken several CBS governance reviews and provided CBS Director's training.

In October we ran a [Finance Guide](#) webinar for CBS Directors in partnership with Co-operatives UK. We had attendees from a range of societies, including those who have recently run community share offers and those who are a few years down the line.

In collaboration with the Scottish Government's Community Land Team, we have been updating DTAS' Community Benefit Society Model Rules to ensure compliance with Community Right to Buy (CRtB) legislation. We have agreed final amendments to a final model for community organisations to adopt.

## Scottish Community Pubs Programme

Our partnership with Plunkett UK through the [Scottish Community Pubs Programme](#) continues to thrive, with 12 groups supported this year to progress a community buyout of their local pub. The DF team meets regularly with Plunkett UK to ensure a coordinated approach including coproduction of two case study videos:

- **Anchor Tavern, Port Bannatyne**  
<https://www.youtube.com/watch?v=ahUkvtXWM18>
- **Red Lion, Culross**  
<https://www.youtube.com/watch?v=TWBjf0Hhk98>



Figure 3 - The Inn at Kingsbarns

## DTAS Recovery and Resilience Programme Collaboration

This year DTAS launched a new £5m Recovery and Resilience Programme, exclusively for DTAS members, funded via Foundation Scotland. This initiative aims to strengthen the long-term resilience of Development Trusts, focusing on financial sustainability, capacity-building, and future-proofing. A core pillar of the programme is finance and enterprise, where the DF team has played a key delivery role.

## Equity, Diversity and Inclusion Pilots:

This year we have taken forward a set of Equity, Diversity and Inclusion (EDI) pilot projects aimed at ensuring that democratic finance is accessible to a wider range of communities.

Rather than treating EDI as a standalone activity, we have sought to integrate it into our core delivery by linking each pilot to a live project. These include work focused on urban communities, minority ethnic communities, and areas of multiple deprivation.

We are supporting projects such as a community solar share offer in Edinburgh (in partnership with Energy 4 All) and a community café in Glasgow supporting the Palestinian community, with targeted engagement strategies designed to reach underrepresented groups. We hope to confirm a case related to areas of multiple deprivation once/if a Booster Fund is agreed with the Scottish Government.

While this work is still at an early stage, it represents an important step towards ensuring that democratic finance is inclusive and reflective of Scotland's diverse communities.

## Communication, Events and Engagement

This year we have continued to develop our communications and visibility, including new website features, refreshed case studies, and increased media coverage of supported projects.

We have expanded the team, including the addition of a new Development Officer role focused on engagement and early-stage support. This has helped us respond to increasing demand and further strengthen our outreach and delivery.

To highlight the geographic spread of democratic finance offers across Scotland we have added a [Communities Map to our website](#) which can be filtered by sector, making it a simple visual tool for communities to explore and refer to. We have refreshed our [Case Studies](#) page which now has over 20 cases to inspire and inform.

## Events and Workshops

This year we have delivered 33 workshops and events to over 800 attendees. The focus of these have been:

- Democratic Finance education and awareness raising
- Community energy & shared ownership
- Social investment & funding
- Governance & community assets

The highlight from the year was the DTAS Annual Conference- our biggest yet with 273 attendees. The DF team delivered two workshops - 'Accelerating Community Owned Energy' and 'Learnings from our Local Legacy Giving Pilot'.

## Partnership Working

We have had 114 strategic meetings and interactions with key stakeholders and partners including:

Community & Third Sector Organisations and Networks:	Government & Public Sector	Finance & Investment
<ul style="list-style-type: none"> <li>• Co-operatives UK</li> <li>• Local Energy Scotland</li> <li>• Community Energy Scotland</li> <li>• Community Land Scotland</li> <li>• Plunkett UK</li> <li>• Community Enterprise</li> <li>• Third Sector Interfaces</li> <li>• Centre for Local Economic Strategies</li> <li>• Stir to Action / Centre for Democratic Business</li> <li>• Climate Action Hubs</li> <li>• Energy 4 All</li> <li>• Co-operate Scotland</li> </ul>	<ul style="list-style-type: none"> <li>• Scottish Government</li> <li>• UK Government- DESNEZ and GB Energy</li> <li>• Highland Council Social Value Charter</li> <li>• National Energy System Operator</li> </ul>	<ul style="list-style-type: none"> <li>• Social Investment Scotland</li> <li>• Foundation Scotland</li> <li>• Firstport</li> <li>• Rathbones</li> </ul>

## Academic Partner Engagement

We have continued to engage with academic partners, including supporting a Democratic Finance PhD at Glasgow Caledonian University, and contributing to international knowledge sharing through sessions with organisations such as the National University of Singapore.

We delivered a Social Finance lecture for the MSc Social Innovation cohort at Glasgow Caledonian University.

## Influencing Policy

In addition to direct support for community organisations, we have continued to play an active role in influencing policy and shaping the wider democratic finance landscape. This has included:

- responding to UK and Scottish Government consultations – Community Wealth Building Bill; DESNEZ Community Benefit and Shared Ownership; Good Practice Principals for Renewable Energy;
- participating in UK and Scottish government advisory groups and collaborating with policy makers including Democracy Matters steering group; Economic Democracy Group; Planning Infrastructure and Place Advisory Group; Community Wealth Building Practitioners Meeting and going forward the CWB Guidance Working Group
- close working with Scottish Government officials in the community energy division
- discussions linked to the Scottish Government’s work on Inclusive and Democratic Business Models – including being a member of the Inclusive and Democratic Business Models Alliance
- Community-led housing alliance alongside South of Scotland Housing and Community Housing Trust
- Close working with the Scottish Government Community Land Team to update DTAS Community Benefit Society models

# Annual Outcomes and Economic Impact Measurements 2025/26

## Progress on Targets

Annual Outcomes	Annual Outcome Indicator	Annual Progress
OUTCOME 1- RESILIENT, DEMOCRATIC COMMUNITY ORGANISATIONS – create resilient, democratic communities with more financial confidence and control through use of democratic finance models and approaches	100 community organisations per year supported to explore and use democratic finance sources or tools.	283 support interventions to over 150 organisations
	Research and baseline data to evidence increase in community organisation resilience and confidence.	See Impact Report from Q2 linked above
OUTCOME 2- INFORMED AND ENGAGED CITIZEN INVESTORS – create a network of locally informed ‘Citizen Investors’ making investments directly into their communities.	1500 citizen investors per year investing into community organisations.	1751
	Citizen investment is driving greater engagement with and building social capital in local communities.	See Impact Report from Q2 linked above
OUTCOME 3- NATIONAL SYSTEMIC CHANGE – ensure democratic finance models are recognised as the best approach to transform local economies and give local people power and control.	The value of democratic finance models and approaches are identified in national strategic policy and practice.	<p>National strategic policy and practice where the value of democratic finance models have been identified:</p> <p>New <a href="#">Community Energy Launchpad</a> programme</p> <p>Scottish Government report on <a href="#">Inclusive and Democratic Business Models</a> (IDBMs)</p> <p>Representation on the new Scottish Government Economic Democracy Group linked to IDBMs</p>

		Offshore Renewables Advisory Group  Community Wealth Building Guidance Advisory Group  Scottish Futures Trust Roundtable- Infrastructure and Investment Plan (2027-2037)
	Co-produced creation of Regional and National Community Wealth Funds to finance income generating community owned assets.	Scottish Community Wealth Fund feasibility study complete – <a href="#">Scottish Community Wealth Fund – Feasibility Study – DTAS</a>
<b>Scottish Government – Economic Impact Measurements</b>	<b>Annual Target</b>	<b>Annual Progress</b>
Target number of entrepreneurs and community orgs. to be supported to start their social enterprise journey	50	140
Target number of entrepreneurs and community orgs. to be supported to grow and sustain their social enterprise	50	143
Target number of organisations supported to reduce grant dependency:	100	283
Target number of full-time employment opportunities to be generated through the project	50 jobs (30 FTE)	36 jobs (20.5 FTE)
Number of DF offers launched (shares, bonds, local legacy campaigns and one-off lotteries)	10 - 15	14

Amount of investment raised via DF offers (shares, bonds, local legacy campaigns and one-off lotteries)	£1-2m	£584,850  (lower than expected target due to community energy share offers delayed due to grid constraints and Local Authority negotiations)
Amount of additional investment (£'s) raised through the project i.e. external funding secured through grants, loans, community shares, or bonds?	£300k	TBC- have asked Katrina if this is different to the above
Number of citizens involved as investors in DF offers	1500	1571