



ARGYLL AND THE ISLANDS LOCAL ACTION GROUP (LAG)

APPLICANT GUIDANCE: COMMUNITY LED LOCAL DEVELOPMENT (CLLD) FUND, 2025/26

1. INTRODUCTION

- 1.1. The Argyll and the Islands Community Led Local Development (CLLD) Fund has been provided by the Scottish Government, it is part of the Scottish Government's CLLD programme. The delivery will be overseen by the Argyll and the Islands Local Action Group (LAG) and will be administered Argyll and Bute Council as the Accountable Body.
- 1.2. Projects must have all spend and final claims into the Accountable Body by Friday **27th March 2025**
- 1.3 This document provides guidance to the application process and should be read carefully before submitting an expression of interest (Eoi). After submitting an Eoi, CLLD Fund staff at Argyll and Bute Council will contact you through the Aspiring Places platform or using the contact details provided to discuss your project if needed. Should the project be eligible for the fund, you will be invited to submit a full application. The staff of the CLLD fund will be able to provide advice and support throughout this process.
- 1.4 **Statement on the use of Artificial Intelligence (AI) in producing grant applications.**
The Local Action Group recognise the potential of AI in applying for grant and we will not reject or score down applications which have utilised AI. However, it is important to note that AI has potential pitfalls. The National Lottery Community Fund has created [useful guidance](#) on the pros and cons of AI use, and we would recommend groups consider this before using AI.

CONTACT DETAILS

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2. KEY DATES FOR 2025/26

- 3.1 The provisional dates for the CLLD Funding Programme for 2025/26 are as follows:
 - **23rd May 2025**, launch of fund. Open for Expressions of Interest via the Aspiring places portal.
 - **13th June 2025**, midnight deadline for the submission of EOI.
 - **16th July 2025, Decisions meeting by Local Action Group.**
 - **Late July 2025**, grant offers sent to successful applicants.
 - **27th March 2026**, final project spend claim submission date.

3. WHERE AND WHAT PROJECTS CAN BE FUNDED?

3.1 Eligible Area

The eligible area is the Argyll and Bute Council area, defined by the eligible area map.



3.2 Fund Priorities

Projects must demonstrate that activity will advance inclusion, equality, and diversity, and support the main fund priorities for 2025/26. Projects need to include actions to support and deliver on at least one of the **Scottish Government priorities** listed below.

Scottish Government Priorities:

- **Eradicating child poverty** – examples could include improving children's wellbeing and life chances.
- **Growing the economy** – examples could include projects which aim to alleviate issues caused by the cost of living or cost of doing business for third sector/community organisations.
- **Tackling the climate emergency** – Projects should aim to consider how the resilience of communities can be strengthened in the face of the climate emergency. Potential project areas could include nature restoration with community benefits, nature awareness, green skills, empowering community climate action, developing community resilience and efficiency, or adapting historic or community assets to mitigate against future climate change.
- **Ensuring high-quality and sustainable public services** - examples could include helping rebuild community capacity, including (re)mobilising volunteers. Activities which support for mental health and wellbeing provision may help reduce demand on public services.

Applications which show evidence of need through being identified on documents such as community or local plans are particularly welcome.

3.3 Eligible Organisations

- Registered charities in Scotland.
- Formally constituted community, voluntary and third sector organisations such as Community Councils, Development Trusts, Community Associations, SCIO (Scottish Charitable Incorporated Organisation), and Heritage Societies.
- Public bodies where:
 - The project does not form part of statutory duties.
 - The applicant has wider community/third sector/public partnership representation, and the public body is merely providing a leading or co-ordinating role.

3.4 Ineligible Organisations

- Individuals.
- Informal groups.
- Sole traders.
- Private business unless part of a community collective or industry-wide initiative

- Organisations outwith Argyll and Bute (unless the full project delivery and benefits would be achieved in Argyll and Bute).

4. WHAT COSTS CAN BE FUNDED?

Due to changes in our allocation of funding from the Scottish Government, the 2025/26 CLLD fund is for capital projects in 2025/26. It will fund projects to an intervention rate of 90% and will accept applications of between £6,000 and £70,000.

Capital expenditure is defined as grant money spent to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment.

We also expect capital projects to incur some revenue cost as part of their delivery, and as part of your application you may apply for revenue funding for both direct project costs and overheads.

Revenue expenditure is defined as grant money used to cover every-day operating and administration costs such as salaries, office costs, stationary, travel & subsistence.

Full Cost Recovery

The CLLD encourages the use of a full cost recovery model, whereby costs can be claimed for part of your organisation's overheads as well as the direct project costs.

If you are claiming for overheads, as part of your application you must show how you calculated overhead costs and the share which you are claiming related to the project you are asking for funding for. This can be complex, particularly for organisations with multiple projects and income streams.

Guidance is available on this process from the [National Council for Voluntary Organisations](#), and the [Community Fund](#).

Example: An established community trust applies for capital to create a community garden. The purchase of materials, polytunnels, and equipment, as well as the direct labour costs charged for the construction and surveyors fees are capital costs. In addition, they appoint a project co-ordinator working directly on the project for two days a week – this is an eligible direct revenue cost. Using a full cost recovery model, they calculate a relevant proportion of the overall organisation's overheads, this is an eligible indirect revenue cost.

Further detail on what is eligible is given below. If you are in any doubt if costs are capital or revenue, please discuss with the CLLD team.

4.1. Eligible Capital Spend

- Purchase of Capital Assets.
- Construction of new buildings/facilities.
- Improvement to/expansion of existing buildings/facilities including;
- Purchasing equipment, fixtures and fittings linked to the eligible project activity.

- Improving land, for example landscaping works, playgrounds etc.
- Altering, refurbishing or extending a building you already own or lease
- Furniture, fixtures, and fittings
- Professional fees such as architects' fees, when they are directly connected to capital works being funded.

4.2. Eligible Revenue Spend:

- **Direct project management costs:** These are direct costs necessary to deliver the project which are additional to the core costs of the organisation, such as an additional staff member or additional staff hours. Staff costs should be specific to the project described in the application. Salary must be at the Real Living Wage rate as part of our commitment to [Fair Work First](#). Eligible costs would recognise the costs of contracting someone on a self-employed basis, or costs relating to employing someone (salary, pension, employers NI) to deliver the project. Volunteer expenses.
- **Indirect organisational overheads, on a full cost recovery model** – as described, a proportion of the overheads of your organisation can be claimed. These must be worked out using a full cost recovery model discussed above and will be agreed by the applicant and CLLD team at the time of application.

4.3. All costs must be essential for the project to be successfully delivered. Applicants must demonstrate that project costs are value for money and provide evidence to support this.

4.4. Ineligible Costs:

The Argyll and the Islands CLLD Fund will not consider the following:

- Payments not supported by invoices and/or documents proving expenditure.
- Purchase of land or buildings.
- Projects which result in displacement of existing activity or may otherwise be to the detriment of existing project(s)/organization(s) or businesses.
- Political or religious activities will not be ordinarily eligible unless broad community benefit can be demonstrated.
- Loan repayments, service charges arising on finance leases, hire purchase, credit arrangements, fines, financial penalties, and expenses of litigation.
- Financial charges– bank/credit card/loan charges/foreign exchange commission/loses etc.
- Any Value Added Tax (VAT) reclaimable by the Grantee.
- In-kind costs and contributions.
- Statutory maternity and sick pay.
- Payments for unfunded pensions.
- Services that are the responsibility of central or local government.
- Costs that are a statutory requirement, and reclaimable by the Grantee.
- Project costs that have already been committed to or spent prior to the project start date.
- Project costs incurred or invoiced after the project end date.

- Costs involved in winding up a company or organisation.
- Onward distribution of funds (unless for an approved Participatory Budgeting event in line with the guidelines).
- Consumables – unless directly related to delivery of the project.
- Repair and maintenance costs deemed as unplanned, reactive works as part of routine works for buildings, plant, equipment, or any other items.
- Bonus or commission payments.
- Items that only benefit an individual i.e., prizes, gifts, awards, and alcohol.
- Delivery of courses which form part of primary/secondary/tertiary (e.g.: colleges, university) education programmes.
- contingencies, miscellaneous or sundries.
- service charges – arising on leases and hire purchase arrangements.
- improvements to buildings as a requirement of changes to legislation e.g. Disability Discrimination Act.

6 HOW MUCH CAN I APPLY FOR?

6.1 The CLLD Fund can support revenue projects as follows:

- The allocation of grant size - **£6,0000 to £70,000**.
- Grant requests of up to **90% of total eligible project costs** will be accepted (meaning the project will require **at least 10% match funding**). In addition, **match funding** should be in **'cash' not 'in-kind'** and **be in place at the time of application**.
- The LAG will retain discretion to reduce or increase the minimum or maximum amount of grant across both the capital and revenue elements and the intervention rate at which the grant is awarded based on the applications received.

6.2 Please note that all relevant planning permissions, as well as match funding, must be in place for you to be eligible to apply.

6.3 Applications that are a strong fit with the priorities and deliver against multiple outcomes will be prioritised for funding.

6.4 Grants will be paid out only on submission of evidence of actual expenditure on submission of progress reports at agreed intervals along with evidence of actual expenditure e.g. bank statements, invoices, payroll etc. In exceptional circumstances there can be the opportunity to receive up front grant payments to ensure a positive cash flow is maintained throughout the project. However, there would need to be a clear justification for this request, and it would need to be identified during the application stage so the request can be considered as part of the overall application.

7 ASSESSMENT

7.1 Applications will be considered by the Argyll and the Islands Fund accountable body staff for fit with fund priorities and eligibility criteria to allow delivery within the timescales. Only eligible applications will be presented to the LAG for assessment using a predefined scoring criterion. The CLLD team can work with you to resolve any potential issues prior to assessment.

7.2 The scoring criteria will focus on the following criteria:

- **Strategic fit** - this can be with either Argyll and Bute wide policy/strategy (Argyll and Bute Single Outcome Agreement, Rural Growth Deal and Argyll and Bute Child Poverty Action Plan) or at a more local level with reference to local community action plans.
- **Alignment with fund priorities** – projects need to demonstrate that they align with at least one of the core proposed fund priorities – the more objectives a project delivers, the more attractive it will be to the decision-making body.
- **Assurance and confidence of the organisation** - proven ability of the applicant to provide the activity/project they are proposing with robust evidence of the competence and capability of the organisational team.
- **Risk mitigation** – evidence of identification of potential risks and measures to overcome these.

- **Inclusion, equality, and diversity considerations** – has the project considered inclusion, equality, and diversity aspects of their proposed activity?

7.3 A good project proposal is likely to include:

- A clear summary of what your project will achieve.
- Clear links with identified needs, and wider policies and strategies.
- Good support from a wide range of people and organisations (evidenced).
- Clear aims, objectives, outputs, and outcomes.
- Clearly thought through project delivery plan and realistic timescales.
- Clear capital and revenue costs, including professional fees, and VAT.
- Financial tables to show projected income and expenditure.
- Evidence of risk awareness, mitigation, and project management.
- Relevant marketing to the right people.
- Realistic and well thought out funding strategy.
- Plans for sharing, celebrating and evaluating the impact of your project

All delivered by a strong organisation with good governance and clear policies and procedures.

See our **Application Toolkit** for further advice on putting together a strong proposal.

7.4 Supporting Documents

The following supporting documentation must be supplied with your application where applicable:

Documents:

- Constitution/governing document.
- Incorporation document.
- Three quotes for eligible costs above £500.
- Latest year of accounts (audited/examined if thresholds reached).
- Last 3 months bank statements.
- Detailed budget spreadsheet
- Organisational policies (e.g. equal opportunities, health and safety, child protection).
- Confirmation of match funding.
- Letters of support (need/demand of project – **two** documents/letters showing local support).
- Job descriptions.
- Social Value Engine (SVE) Output Matrix.
- For partnership applications, an appendix detailing agreement on what each partner will deliver.
- Fair Work First statement (Please see the attached link for Fair Work First guidance for organisations seeking and awarding public sector grants, contracts and other funding: [Fair Work First: guidance - gov.scot](https://www.gov.scot/publications/fair-work-first/guidance/pages/1.aspx))
- Statutory consents.

The CLLD team can give further detailed advice on supporting documentation if needed.

8 PUBLICITY

- 8.1 The Grantee shall where reasonably practicable acknowledge in all publicity material relating to the Programme, the contribution of the Scottish Ministers to its costs. The Scottish Ministers may require to approve the form of such acknowledgement prior to its first publication. Logos and statements can be supplied by the CLLD team.

9 SOCIAL VALUE ENGINE (SVE) Measuring Social impact of Projects

- 9.1 The Scottish Government requires each of the CLLD partnerships to measure the social impact of the projects and feasibility studies which they fund via the Social Value Engine (SVE).

This is an accredited online tool which is used extensively across the UK to measure social value. The benefits of it being used in conjunction with the CLLD programme are:

- It provides one common framework for measuring impact which can be used by all CLLD partners
- It provides a facility for the Scottish Government to derive a cohesive overview of progress in relation to the delivery of Social Value through being able to look in on the impact information recorded by each partnership

We will therefore be asking you to select relevant outcomes for your project from the SVE output matrix sent to you with the application form. The matrix has a list of themes along with associated outputs and outcomes. The measurements for these are detailed on the matrix and you will be asked to report on these regularly alongside your progress report.

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