



APPLICANT GUIDANCE

ARGYLL AND THE ISLANDS LOCAL ACTION GROUP (LAG)

COMMUNITY LED LOCAL DEVELOPMENT (CLLD) DEVELOPMENT & IMPROVEMENT CHALLENGE FUND

INTRODUCTION

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 is overseen by the Argyll and the Islands Local Action Group (LAG) and is administered Argyll and Bute Council as the Accountable Body.

This document provides guidance to the application process and should be read carefully before applying. Should the project be eligible for the fund, you will be invited to submit a full application. The CLLD fund staff will be able to provide advice and support throughout this process.

FUND AIMS AND PRIORITIES

The CLLD Development and Improvement Challenge Fund seeks to support organisations in Argyll and Bute to develop new or innovative projects, improve their processes and practice, or build their on-going resilience. This might be through design work (such as architects or planning fees) or another innovative practice to advance a project, training in new skills, feasibility studies, options appraisals, and evaluations, or projects to improve the structure, functions or governance of the organisation.

The funding is **revenue** only. Day-to-day activity or projects which deliver the core mission of organisations will not be eligible. Applications for funding must be for discrete projects with clear outcomes that will be complete by March 31st, 2026.

There is a funding pot of £75,000 available in awards of between £7,000 and £10,000

You can apply for funding if your project fits the following:

- The project is wholly revenue
- The project is a discrete project with a clear, complete product at the end.
- Can be completed by March 31st, 2026
- For projects over £10,000, all match funding must be in place at time of application

In addition, developing projects or improving your organisation projects should advance inclusion, equality, and diversity, and align with the main fund priorities for 2025/26:

- Eradicating child poverty
- Growing the economy
- Tackling the climate emergency
- Ensuring high-quality and sustainable public services

KEY DATES

The provisional dates for the CLLD Challenge Fund are as follows:

29 August 2025 – fund open for applications

12 September 2025 - 5pm deadline for the submission of full applications.

2 October 2025 - decisions meeting by Local Action Group.

Early October 2025 - grant offers sent to successful applicants.

27th March 2026 - final project spend claim submission date.

WHERE AND WHAT PROJECTS CAN BE FUNDED?

Eligible Area

Project activity should take place within the Argyll and Bute local authority area.

Consents and Permissions

Please note that any relevant statutory consents such as planning permissions, landowners permission, leases etc. must be in place for you to be eligible to apply.

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.

Ineligible Organisations

- Individuals.
- Informal groups.
- Sole traders.

- Private business unless part of a community collective or industry-wide initiative
- Organisations out with Argyll and Bute (unless the full project delivery and benefits would be achieved in Argyll and Bute).

WHAT COSTS CAN BE FUNDED?

Example of Eligible Revenue Spend:

- Professional fees – for example architects or engineers' fees.
- Fees required to progress capital projects, such as building warrants, planning fees
- Consultancy fees – for example evaluations, feasibility studies, options appraisals, proof of concept.
- Training costs – for example, new skills.
- Staff costs – these must be direct additional costs to deliver the project, not costs for on-going activity. Salary must be at the Real Living Wage rate as part of our commitment to [Fair Work First](#).
- Website development, including development of e-commerce activity.
- Branding and marketing activity.
- Consumables directly related to the project – such as leaflets, stationery, packaging.
- Equipment necessary to deliver the project – no single item above £5000 in value.

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.

Ineligible Costs:

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

- Accounting costs, such as preparation of annual accounts and year-end auditing.
- Payments not supported by invoices and/or documents proving expenditure.
- 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.
- Repair and maintenance costs deemed as unplanned, reactive works as part of routine works for buildings, plant, equipment, or any other items.
- Delivery of courses which form part of primary/secondary/tertiary (e.g.: colleges, university) education programmes.
- Projects which result in displacement of existing activity or may otherwise be to the detriment of existing project(s)/organization(s) or businesses.
- In-kind costs and contributions.
- Items that only benefit an individual i.e., prizes, gifts, awards, and alcohol.
- Consumables – unless directly related to delivery of the project.
- contingencies, miscellaneous or sundries.
- 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.
- service charges – arising on leases and hire purchase arrangements.
- Any Value Added Tax (VAT) reclaimable by the Grantee.
- Statutory maternity and sick pay.
- Payments for unfunded pensions.
- Bonus or commission payments.
- Services that are the responsibility of central or local government.
- Costs that are a statutory requirement, and reclaimable by the Grantee.
- Improvements to buildings as a requirement of changes to legislation e.g. Disability Discrimination Act.
- 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).

HOW MUCH CAN I APPLY FOR ?

The CLLD Fund can support revenue projects as follows:

Between £7000 and £10,000 AT 100% OF PROJECT COSTS

Indicative costs are acceptable at application stage, if successful, evidence of an appropriate procurement process would be required.

The LAG will retain discretion to reduce or increase the minimum or maximum amount of grant and the intervention rate at which the grant is awarded based on the applications received.

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.

ASSESSMENT

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.

Applications will be considered for their potential to deliver clear benefits and outcomes to the project or organisation. Applications will also be considered against priorities and deliver against multiple outcomes will be prioritised for funding.

See our [**Application Toolkit**](#) for further advice on putting together a strong proposal.

SUPPORTING DOCUMENTS

The following supporting documentation must be supplied with your application:

- Constitution/governing document.
- Latest Bank Statement
- Latest accounts or most recent management accounts

The following supporting documentation, where applicable, will require to be submitted should your application be successful:

- Three quotes for eligible costs above £500.
- Detailed budget spreadsheet
- Organisational policies where appropriate (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 for new posts
- 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/default.aspx))
- Statutory consents.

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

PUBLICITY

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.

SOCIAL VALUE ENGINE (SVE)

Measuring Social Impact of Projects

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). If successful, the CLLD team will work with you to record your outputs on the SVE.

USE OF ARTIFICIAL INTELLIGENCE

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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