

## What is a Development Trust?

### Development trusts are community owned and led ...

... they use self-help, trading for social purpose, and ownership of buildings and land, to bring about long-term social, economic and environmental benefits in their community.

They operate in both urban and rural areas, often in neighbourhoods which have experienced the worst economic decline. They are independent, but work with the public sector, private businesses, and other community groups.

They are community anchor organisations, delivering services and facilities, finding solutions to local problems, and helping other organisations and initiatives succeed.

We define development trusts as organisations which are:

Engaged in the economic, environmental and social regeneration of a defined geographical area

By this we mean setting up and running an inclusive mix of services or facilities which respond to the needs of a community. Projects undertaken by DTA members include property development, managed workspace, community businesses, arts programmes, sports and leisure facilities, retail and market space, town centre management, building restoration, environmental improvement, community transport, education work, employment training, information services, community development, social provision, health centres, countryside management, horticulture and agriculture, tourism and cultural industries, and so on. Some DTA members also give grants to support such activities, but this by itself does not define an organisation as a development trust.

Development trusts are found in inner cities, on peripheral housing estates, in market and coastal towns, former coalmining areas, rural communities. All have a defined sense of place.

Independent, self-sufficient or aiming for self sufficiency, and not for private profit

Development trusts are in the business of sustainable change. As independent organisations they avoid over-reliance on a single funder, and also aim to reduce dependence on grant-aid in the long term. To do so, they may create an income-earning asset base, and build up trading operations or contract income. We recognise that in poor communities there is often a social deficit and contributions from public or charitable funds may continue to be necessary. In order for a development trust to become sustainable, cultivating enterprise and finding ways to become self-sufficient are often key. Finally, whenever development trust engage in business it is not for private gain, and any surpluses are applied to the social objectives of the development trust.

Community based, owned and managed

Development trusts are driven by and accountable to their community in various ways. Some have Boards elected by a ballot of all those in the area, others have a membership base from which elections can be made. Others have a structure in which community groups, the local authority, local businesses, and others are represented. Others have arrangements to safeguard balance between sectors, or interest groups. Others involve a mix of people through co-options. Many derive their community legitimacy not only through constitutional arrangements but also from day to day practice - the ways in which they involve local people in their work.

Actively involved in partnerships and alliances between the community, voluntary, private and public sectors

Development trusts occupy the place where the business, public, community and voluntary sectors meet. This is a position of unique strength, but also means that for a development trust to realise its potential it must build active alliances with all

these sectors. An organisation which works in an isolated, exclusive or sectarian way is not a development trust.

There is no standard organisational form for a development trust. Most register as a company limited by guarantee and in a few cases as an industrial and provident society. Many register as charities.

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