



Community Wealth Building: Case Studies of Scotland Pilots

Policy Spotlight



St. Mopnans Harbour Fife

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Highlights

What is the report about?

At the height of the COVID-19 pandemic, the [Scottish Government's 2020/21 Programme for Government](#) committed funding to develop Community Wealth Building action plans in five areas – Fife, Clackmannanshire, Glasgow City Region, South of Scotland and the Western Isles. These are sometimes called ‘the Community Wealth Building pilots.’ This commitment to funding five action plans built on the pioneering community wealth building work of North Ayrshire Council and the Ayrshire Regional Growth Deal which dated back to 2016.

This report explores the factors that may help or hinder community wealth building policy, with particular attention to rural and island contexts. It explains the Community Wealth Building (CWB) pilots and related work. The purpose is to provide an overview the development and implementation of Community Wealth Building policy through the pilot work.

What were we trying to find out?

This research builds on Community Wealth Building work¹ funded by the [Scottish Government's Environment, Natural Resources and Agriculture Strategic Research Programme 2022-27](#). Community Wealth Building is a place-based approach to local economic development which seeks to redirect wealth back into the local economy and to place ownership into the hands of local people. The Scottish Government defines Community Wealth Building through five pillars: inclusive ownership; finance; workforce; spending; and land and property.

What did we do?

The evidence-gathering comprised reviewing publications by public bodies, including reports, meeting minutes and other publicly available literature and interviews with people involved in Community Wealth Building work in the pilot and pioneer organisations, as well as other stakeholders who provided context.

What did we learn?

Approaches

The five organisations which received pilot Community Wealth Building funding took slightly different approaches. The three local authorities involved (i.e. Fife, Clackmannanshire and the Western Isles) commissioned an action plan which appraised community wealth building in the local authority area and provided future recommendations across all aspects of Community Wealth Building (known as ‘the five pillars’). The two regions (i.e. Glasgow City Region and South of Scotland) opted to focus on specific issues related to existing priorities. In Glasgow this was

¹ See <https://ruralexchange.scot/society/community-wealth-building/>

sustainable procurement and vacant and derelict land, and in the South of Scotland there was a focus on retrofitting social housing.

Implementation of Community Wealth Building action plan recommendations has varied, with emerging good practice apparent. Policy and practice in Ayrshire provided inspiration for the pilots, and innovative work continues there as well. Ayrshire's work and emerging good practice in the pilot areas are described and inform our recommendations.

Learning from the pilots

Whilst each area was different, it is possible to draw some high-level conclusions. Firstly, the organisations leading the pilots, particularly local authorities, reported extremely challenging financial conditions. With no statutory obligations and no additional funding, each area has adopted their own approach to implementing their Community Wealth Building action plan.

Where Community Wealth Building has gained traction as a practical way to implement a more inclusive approach to economic development, this research found that certain factors are common. These include:

1. *An appetite for Community Wealth Building within leadership roles*
2. *A culture of Community Wealth Building* and an understanding throughout the organisation of its potential for building local economies.
3. *Practical and collaborative approaches* which build on existing priorities and collaborations such as with other public bodies, private industry and community organisations.
4. *Policy integration* and inclusion of Community Wealth Building across plans and policies, from strategic to local levels (e.g. regional economic plan, Community Planning Partnership plan).
5. *Explicit Funding for Community Wealth Building* such as through the inclusion of Community Wealth Building approaches in funding opportunities, such as Growth Deals.
6. *Resource*, including dedicated staff to champion and implement Community Wealth Building.
7. *Ensuring accountability* for delivery through governance structures, including ongoing reviews.

Rural and Island Areas

Rural and island areas were not an explicit focus for the pilot funding. However, the piloting organisations contained rural areas of varying kinds (e.g. islands, sparsely populated rural areas, accessible rural areas). This research identified a range of approaches, projects, expertise and challenges emerging from rural and island areas implementing community wealth building approaches.

Rural expertise in community-led development, such as from social enterprises and/or community landownership, is providing a fruitful context for implementing Community Wealth Building policy. This was apparent particularly in the Western Isles, North Ayrshire and the South of Scotland. This is a contrast to Community Wealth Building approaches in other frequently referenced contexts, such as in Preston Lancashire or Cleveland Ohio, which are largely urban in nature.

Next steps

This report identified that further research on how the Scottish Government can best support rural and island Community Wealth Building approaches in Scotland would be beneficial. This will be considered through future work, including in the Scottish Government's Strategic Research Programme 2022-27. In particular, the [NISRIE project](#) will next provide in-depth analysis of community wealth building in a small number of rural and island case studies and will provide recommendations for further supporting this work. Analysis of indicators and evaluation approaches for Community Wealth Building projects will also be undertaken within the NISRIE project.

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List of Acronyms

CLES	Centre for Local Economic Strategies
CWB	Community Wealth Building
EDAS	Economic Development Association Scotland
LOIP	Local Outcomes Improvement Plan
NISRIE	Novel Insights on Scotland’s Rural and Island Economies
NSET	Scotland's National Strategy for Economic Transformation
RESAS	Rural and Environment Science and Analytical Services
SMEs	Small and Medium size Enterprises
SRP	Strategic Research Programme 2022-27
SRUC	Scotland’s Rural College
UK	United Kingdom

1 Introduction

Scotland's Rural College (SRUC) is carrying out [research for the Scottish Government to explore economic wellbeing in Scotland's rural and island communities \(the 'NISRIE' project\)](#). One aspect of the research aims to understand if and how a Community Wealth Building approach to local economic development is being taken, the conditions in which community wealth building could thrive, and how to measure progress towards this.

This report provides an overview of the pilot funding for five Scottish Government Community Wealth Building action plans, supported initially in 2020-2021. It identifies how the pilot support for Community Wealth Building action plans was first implemented and has developed. Context for the pilots is provided by illustrating the pioneering work in Ayrshire. Understanding the ways in which Community Wealth Building policy was piloted is important to be able to chart, and unpack, the factors that may help or hinder its development elsewhere.

The structure of this report is a brief overview of the national policy context, then narrative summaries of the work in Ayrshire and the five organisations which received pilot funding. Synthesis is provided in graphic summaries, and common themes are identified in conclusion. The report is part of a series and should be read with them for a complete picture on Community Wealth Building in Scotland (and beyond). Other series reports include a review of [how Community Wealth Building can be applied in a rural and island context](#), a review of [the evolution of Community Wealth Building policy and practice](#) and [a review of international examples of community wealth building](#). Future work will include in-depth case studies of emerging good practice in rural and island areas, and an evaluation framework for use in future projects.

2 Approach

Information for this report was gathered over summer 2024 through online searches for information on each of the pilots, semi-structured interviews with people leading Community Wealth Building in the respective areas and reviewing literature, often supplied by interviewees. Stakeholder interviews were also undertaken to provide context.

The purpose of the report was to gain a detailed understanding of the pilots, so data collection focused on those involved in the organisations which received pilot funding, which were Local Authorities and regional enterprise organisations. Other related expertise, such as in community led local development, or social enterprise organisations, will be addressed in future research.

A generic interview guide was used which asked interviewees about their involvement and knowledge of the pilot funding, how (if at all) Community Wealth

Building is integrated into the public bodies' ways of working now, and how (if at all) the Community Wealth Building pilot integrated and/or distinguished rural areas and communities.

Interviews were conducted online by one or two members of the research team. Interview notes were made and/or a recording and transcription through MS Teams. Transcriptions were checked for accuracy. The pilot organisation summaries were provided in draft form to the interviewees for checking and sign off. We are extremely grateful to everyone who gave their time to this work, all of whom are listed in the Acknowledgements section.

3 Community Wealth Building: Scotland's policy context

Community Wealth Building is a practical approach to local and regional economic development which aims to retain wealth, jobs and opportunities in local areas. It uses the economic power and levers of local 'anchor' organisations such as councils, health boards and hospitals, housing associations, businesses and universities to enable more local communities and people to own, access and benefit from the economic system. It does this through using five 'pillars' (see Figure 1).

Figure 1: The five pillars of Community Wealth Building (EDAS 2021²)



² EDAS (2021). Community Wealth Building in Scotland. Available at: <https://edas.org.uk/wp-content/uploads/2021/04/SG-CWB-Infographic-March-2021.pdf> accessed 20/9/24

The Scottish Government's [2020-21 Programme for Government](#) committed to building on the Community Wealth Building work underway in Ayrshire by working with five areas to produce bespoke Community Wealth Building action plans. It committed to delivering the first three action plans within three months with the final two following in early 2021. The Programme for Government went on to state that *'there will be no one model that fits every part of Scotland and it is vital that communities, public services and businesses are involved in designing and building their local economic and community wealth building solutions.'* This work was happening in the context of the COVID-19 pandemic, and the economic recovery and renewal work of the Scottish Government and local councils.

Since 2020, the Scottish Government has integrated Community Wealth Building into its vision for a [Wellbeing Economy](#), as set out in its 2022 [National Strategy for Economic Transformation](#) (NSET) which highlights Community Wealth Building as an example of a practical approach to a Wellbeing Economy. In February 2023, the [National Planning Framework 4](#) was adopted, with Community Wealth Building forming one of its National Planning Policies (Policy 25), the first national adoption of Community Wealth Building in land use planning policy. The Scottish Government has also committed to introducing legislation on Community Wealth Building in the [2024/2045 Programme for Government](#), previously establishing a [Community Wealth Building Bill Steering Group](#) and consulting on a [Community Wealth Building Bill \(2023\)](#).

The 2020-2021 Scottish Government funded Community Wealth Building action plans became known as the 'Community Wealth Building pilots'. These pilots were Clackmannanshire, Fife, Glasgow City Region, South of Scotland and the Western Isles. The approach to the Community Wealth Building pilot funding built on the pioneering work of North Ayrshire Council and the Ayrshire Regional Growth Deal's fund for Community Wealth Building. Ayrshire's work was not funded by the pilot commitments and is referred to here as 'the Community Wealth Building pioneer'.

There is a long history of local and community-led economic development in Scotland which could be considered community wealth building, as well the more recent importation of international Community Wealth Building policy. In this report, Community Wealth Building (CWB) policy and approaches are referred to as a policy concept, and community wealth building (without capitalisation) is used to describe general practices of community wealth building which may not be explicitly associated with the policy.

4 Summaries: the pioneer and five pilots

4.1 North Ayrshire and the Ayrshire Growth Deal

North Ayrshire Council pioneered Community Wealth Building policy in Scotland. It was not one of the five Scottish Government pilots, but elements of Ayrshire's comprehensive approach can be seen throughout the five pilots.

In 2016, North Ayrshire Council worked with Scottish Government on an Inclusive Growth Diagnostic Pilot. This identified key constraints and challenges of the North Ayrshire economy. At the time, conversations were happening about Community Wealth Building policy between the then-leader of North Ayrshire Council, the Centre for Local Economic Strategies and counterparts in some English local authorities where Community Wealth Building policy was being implemented, such as Preston Lancashire.

The Centre for Local Economic Strategies worked with North Ayrshire Council to undertake a [Community Wealth Building diagnostic](#) which identified what the Council were doing on community wealth building and what they needed to do to unlock the potential of Community Wealth Building. This early Community Wealth Building policy development became a key mechanism of Ayrshire's Inclusive Growth journey and the Community Wealth Building diagnostic recommendations formed the basis of the Council's [Community Wealth Building Strategy](#) - the first in Scotland - which was launched in May 2020.

North Ayrshire Council then formed a Community Wealth Building Commission made up of the key anchor organisations in Ayrshire including the three Councils, NHS Ayrshire & Arran, Police Scotland, Ayrshire College and The Ayrshire Community Trust. The Community Wealth Building Commission agreed a workplan to drive forward progress. This included establishing a Lead Officer Working Group of senior officers from across the anchor partners to take the workplan forward in December 2020. The working group focussed on three Community Wealth Building pillars – Fair Employment, Procurement and Land and Assets, which included mapping the procurement spend of the Commission partners (i.e. Spending Pillar) and creating a database of under-utilised assets for all partners (i.e. Land and Property Pillar). To further drive activity within anchor organisations, a [Community Wealth Building Anchor Charter](#) was launched in October 2020. This included 16 pledges aligned to the five pillars of Community Wealth Building and a sixth pillar on climate action.

Of the £251m funding for the Ayrshire Growth Deal from the Scottish and UK Governments and the three Councils³, £3m was earmarked for the Ayrshire Growth

³ The UK Government, the Scottish Government and each of the three Ayrshire councils invested in the Deal. The UK and Scottish Governments invested £103 million each, with East Ayrshire Council invested £13.5 million, North Ayrshire Council invested £14 million and South Ayrshire Council invested £18 million. <https://www.ayrshiregrowthdeal.co.uk/faqs/#1544891645862-3eea9c8d-9fed>

Deal Community Wealth Building Programme. The programme launched in 2021 and focused on working with businesses to create more local, good quality employment and creating a larger and more diverse business base, working across the three Ayrshire Local Authorities (North, East and South Ayrshire). It included a dedicated Community Wealth Building Programme Manager, nine business support officers (three based within each local authority), and a Fair Work team comprising a Fair Work Ayrshire Programme Manager and two Fair Work officers. The Ayrshire Growth Deal Community Wealth Building Programme also included a £1m Business Support Fund supporting community wealth building activities including social enterprise development, supplier development activities, employee ownership transition and cooperative development. The programme has supported over 1000 local businesses across Ayrshire and has exceeded targets across a range of indicators. Initially a three-year programme, it was recently granted a one-year extension.

In addition to the work led by North Ayrshire Council, anchor partners, and the Growth Deal, other approaches to developing and integrating Community Wealth Building policy are being explored and applied. For example, at a regional level the Highlands and Islands [Regional Economic Partnership](#) includes a Community Wealth Building sub-group which has North Ayrshire Council officer representation. This group focuses on developing collaboration in Community Wealth Building in the region, exploring (for example) region-wide initiatives, joint working, and reviewing policy and practice about how Community Wealth Building as an economic model can potentially benefit the Highlands and Islands regional economy.

North Ayrshire leads the North Ayrshire Islands Programme, a partnership between the Council, Scottish Government and Highlands and Islands Enterprise. Two separate ten-year strategic island plans have been co-developed with the islands of Arran and Cumbrae (in the North Ayrshire Council area). These outline the key priorities of the islands including economic growth and diversification, affordable housing, labour market, transport reliability, population profile, community resources and tourism.

These island plans align with the [Scottish Government National Islands Plan](#) and Community Wealth Building principles. The Plans highlight that the cost of living and of doing business on islands is significantly higher than on the mainland, and that islands face constraints in areas including access to services, procurement and supply chains and local skills. North Ayrshire Council are currently considering what a locality-based approach to Community Wealth Building can look like, aiming to measure beyond hard investment and outcomes to look at wellbeing and resilience from an island perspective.

In 2020, after the start of the COVID-19 pandemic, locality community support hubs were established in each of the six North Ayrshire localities to provide urgent support to local communities. A key priority for North Ayrshire now is in its Community

Wealth Building work is developing the locality approach, and it is working with [The Democracy Collaborative](#) to explore what this could look like. There are clear parallels and cross-fertilisation between community-led local development locality work and Community Wealth Building in the region.

North Ayrshire, in partnership with Scottish Government and the Improvement Service, have established a Scotland-wide Community Wealth Building Practitioners' Group so that local authority-based practitioners can share learning and best practice on community wealth building.⁴

North Ayrshire Council has released their second Community Wealth Building strategy and action plan, for the period 2024-2027, which reaffirms its commitment to Community Wealth Building as a key mechanism for delivering a Wellbeing Economy. North Ayrshire is supporting the delivery of the first [Regional Economic Strategy for Ayrshire](#), which also has Community Wealth Building as a key theme and commitment.

4.2 Clackmannanshire

During the autumn of 2020, a [Community Wealth Building Action Plan](#) for Clackmannanshire Council was created. This document set out opportunities and challenges regarding community wealth building facing the Council and other members of the [Community Planning Partnership, the Clackmannanshire Alliance](#). At that time, several strategic drivers were relevant to the development of community wealth building in the area including:

- the Scottish Government [Wellbeing Economy project](#) in which the Scottish Government and Clackmannanshire Council committed to working together to consider how the area performed in respect to a wellbeing economy.⁵
- the Council's transformation programme, 'Be the Future', which has provided the framework for shaping Council priorities, investment and delivery since 2019 around three themes: sustainable inclusive growth, empowering families and communities and health and wellbeing.
- [Stirling and Clackmannanshire City Region Deal](#) which aimed to shape a wellbeing economy in Clackmannanshire through £8 million (capital) in projects in Clackmannanshire.⁶

The Community Wealth Building Action Plan assessed Clackmannanshire's progress against the Scottish Government's five pillars of community wealth building and proposed that Community Wealth Building become the 'golden thread for all economic measures the Council and other partners of the Clackmannanshire

⁴ Information provided in stakeholder interview.

⁵ Note that CLES's community wealth building action planning work formed a part of this broader project

⁶ Figure referenced in CLES Community Wealth Building Action Plan 2020.

Alliance deploy'. Across the five pillars, 21 actions were recommended to demonstrate how the golden thread could be developed in practice. Five of these actions were highlighted as being critical:

- (Action 2) An Economic Strategy for Community Wealth
- (Action 8) Develop the corporate culture of procurement and commissioning
- (Action 14) Create a Strategic Asset Register and Management Plan
- (Action 17) Undertake an employee mapping and diversity exercise
- (Action 18) Adopt a 'Clackmannanshire Leader' good employment charter

A [Community Wealth Building progress report](#) was published in March 2023 showing work to date on the 21 actions.⁷ Highlights in the progress report include a 4% increase in Council procurement conducted with Clackmannanshire suppliers in 2020/21 and establishing the Community Anchor Partnership. Gender justice, a key issue identified in the Action Plan, has been progressed in several ways including developing a [Good Employer Charter for Clackmannanshire](#) and implementing the Scottish Local Government Living Wage in 2021, leading to an uplift in pay for 371 people, 79% of whom were female.

The pilot Community Wealth Building Action Plan noted the importance of creating an economic development strategy for Clackmannanshire, as historically economic development had not received the level of strategic priority and investment that it could have done. It recommended that the Action Plan form the baseline for a Clackmannanshire Economic Strategy for Community Wealth focusing on tourism and food. The action plan also noted that this strategy could then feed into the Regional Economic Strategy and the Region's City Deal. At the time of writing, the economic development strategy officer is drafting the economic strategy for the area.

Training on procurement and Community Wealth Building for middle and senior managers and with anchor institutions is planned. Another area of interest is around the finance pillar and exploring how Falkirk Pension Fund could achieve more local investment. One idea being mooted is to access pension fund money to make use of ground source heat which has potential in the Forth Valley due to its mining history, to create a district heating system. A project of this scale could cover all five Community Wealth Building pillars.

4.3 Fife

As part of the COVID-19 recovery work in Fife, a [Community Wealth Building Action Plan](#) was published in January 2021 and approved by Fife Council. This report set out the context for Community Wealth Building in Fife. It notes that Fife Council is an ambitious council with strong intent for Community Wealth Building to be a golden thread that underpins Fife's economic, social and ecological activity. Fife

⁷ Appendix 1 on p. 27-28 of this report is an 'overall table of progress' showing the RAG rating of 6 Red, 5 Amber and 10 Green actions.

Partnership's Local Outcomes Improvement Plan integrated Community Wealth Building as an underpinning and cross-cutting priority, which also formed the plan for its approach to recovery and renewal from the COVID-19 pandemic. The current review of [The Plan for Fife \(2024-27\)](#) is likely to keep Community Wealth Building as an underpinning priority.

The Community Wealth Building Action Plan highlighted strong work across all five pillars, namely:

- Spending, for example through efforts to localise spend through progressive procurement
- Workforce, for example by adopting the living wage in 2016, exemplified through Glenrothes being the UK's first living wage town
- Land and Property, for example with Fife's Affordable Housing Programme being amongst the largest in Scotland building over 3,000 new homes by 2022, which will help sustain around 1,000 jobs each year in the construction sector
- Inclusive Ownership, for example with employee-ownership and business development being supported through the Council's in-house Business Gateway contract
- Finance, for example making financial power work for local communities through a strong network of credit unions and a community bank.

A Community Wealth Building support group comprising four anchor institutions - Fife Council, Fife College, Fife Voluntary Action and NHS Fife - was implemented. This group oversaw the implementation of the Community Wealth Building Action Plan and continues to meet bi-monthly in 2024. The group implemented important underpinning Community Wealth Building structures including a Fife Anchor Charter, a Fife Community Wealth Building Policy Framework and reporting arrangements to Cabinet Committee bi-annually.⁸

Initially, Fife Council chose to prioritise their efforts on progressing the Workforce pillar and the Spending pillar. Under the Workforce pillar, a programme called Life Chances was developed building on the Fife Job Contract delivery programme. The programme aims to 're-wire' existing systems and processes and change the mainstream ways of how the council recruits to reduce socio-economic disadvantage. Life Chances links employability programme participants, such as people experiencing long-term unemployment, to a paid placement in Fife Council. The placement lasts up to 13 weeks and includes dedicated employability support. On successful completion of the placement, participants are offered an interview and, if they meet the essential criteria during the placement, offered a job with the council service.

⁸ For the Policy Framework, Fife Anchor Partnership and reporting arrangements see p37-50 [Agenda & Papers for Meeting of Cabinet Committee of 6 April 2023 \(fife.gov.uk\)](#)

Life Chances aims to create career pathways in the Council, and expand the model to other anchor organisations, with placements in NHS Fife, Fife Health & Social Care Partnership and the third sector currently being explored. Between June 2023 and April 2024, 28 placements were provided with 11 participants securing ongoing employment with Fife Council and a further 12 have had their placements extended beyond the 13 weeks to allow access to upcoming vacancies. Following the successful pilot, Life Chances has been added to the council's recruitment system as an alternative recruitment option, giving hiring managers the opportunity to fill vacancies through a Life Chances placement.

Within the Spending pillar, Community Wealth Building and the Sustainable Procurement Duty is allowing Fife Council to procure locally in Fife equating to around 35% of spend (totalling £130m) on companies in the Fife boundary in 2022/23. The Duty is also driving a reduction in environmental impacts from procurements, encouraging payment of the Living Wage from contracted suppliers, and delivering community benefits from contracted suppliers.

Community benefits are being delivered through big capital projects, such as the [Dunfermline Learning Campus](#) with 48% of people employed on the contract from the Fife area. Fife Council are currently looking at doing more supply chain development, for example through the procurement elements of the [Food for Fife strategy](#). They are also looking to develop initiatives such as the Build Fife Programme, a business improvement programme aimed at companies in construction and associated sectors. Fife Council are currently prioritising the development of a community benefits guide and toolkit for use in Fife Council's procuring areas, and a supporting framework for anchor partners to ensure a joined-up approach to public procurement in Fife.

Fife Council's current focus is to:

- develop work under the Land and Property pillar, for example by [using the Vacant and Derelict Land Delivery Plan 2023/24](#) to progress Community Wealth Building delivery models.
- [develop work under the Inclusive Ownership pillar](#), for example by expanding support for community ownership, social enterprise and community owned businesses.
- develop [metrics and measures for success and impact](#).

In the Finance pillar, the two recommendations in the Community Wealth Building pilot report were for Fife Council to support and promote credit unions and the Community Bank to become financial anchors and explore the potential for the Fife Pension Fund to localise spend.

Some of the Community Wealth Building work happens at a local level. Fife Council includes seven localities, each of which have developed a local community plan, and local action plan. These plans and the intelligence from the Council workers within

each locality can help the central council Community Wealth Building team with strategic planning, for example by helping decide where and how to support communities' priorities through directing community benefits there.

All areas are working to tackle the cost-of-living crisis and undertake anti-poverty prevention, but Fife's rural areas such as West Fife and North East Fife have added challenges of barriers to access, which require them to do more targeted work. The North East Fife area has a [Rural Poverty Action Plan](#) and they are working to include Community Wealth Building around this issue. In South & West Fife, a credit union pilot took place with [Kingdom Community Bank](#), a local Credit Union, to increase financial inclusion. Kingdom Community Bank has recently set up a community branch in Dunfermline and is looking to expand to business loans, savings accounts for food pantry users and potentially to other areas of Fife.

Looking ahead, the Fife Partnership are looking at some key collaboration projects, for example developing Life Chances with other anchor partners including NHS Fife and developing a Fife-wide procurement portal for community benefits that can be used by all anchor partners. A Community Wealth Building Project Manager was appointed in March 2024 to develop this work.

4.4 Glasgow City Region

The Glasgow City Region comprises eight partner councils - Inverclyde, West Dunbartonshire, East Dunbartonshire, Renfrewshire, Glasgow, East Renfrewshire, North Lanarkshire and South Lanarkshire - working to improve Glasgow City Region. The Community Wealth Building pilot emerged here in 2020 because Scottish Government offered funding for an action plan to look at the possibilities for Community Wealth Building on a regional scale in the Glasgow City Region. Two pillars, Spending and Land and Property, were identified as the focus for the pilot. These were chosen because work was already underway which the pilot could be based on and made tangible, and because recommendations from these pillars could be made at a regional scale.

In early 2021, two reports were produced by CLES: '[Maximising Community Benefits in the Construction Sector through Sustainable Procurement in the Glasgow City Region](#)' and 'Vacant and Derelict Land in the Glasgow City Region'⁹. The reports were taken to the relevant groups within the City Region structures, i.e. the Procurement Group and the Vacant and Derelict Land Group, which took ownership of their respective reports for progressing their recommendations.

Under the Spending, or procurement pillar, a '[Regional Strategy for Sustainable Procurement and Community Benefits](#)' was launched in June 2021 which was informed by [CLES's Sustainable Procurement report](#). The Strategy aimed to increase local multipliers further than the existing 50% of spend remaining in the

⁹ Available on request from Glasgow City Region.

Region and to continue to support Glasgow City Region Member Authorities to apply community benefit requirements to contracts including developing a Community Wishlist approach.

The second Community Wealth Building report highlighted the key issues around Vacant and Derelict Land in the region, for example: (a) that there is a lot of it; (b) the sites are often very small; (c) to mediate the issues around vacant and derelict land is complex and comes with high costs; (d) funding to do work with vacant and derelict land is disjointed, which also makes working at a larger scale difficult. Motivated by this report, the City Region Team created a Vacant and Derelict Land Programme Manager role to focus on the issue and write a business case to tackle it. The aim of this work was to establish an in-depth business case to bring disused land in some of the most deprived parts of the Region back into use, focusing on socially productive uses for these lands. Next steps for this work will be for partners to appraise the options set out in the business case and decide on which action(s) to take.

Work on the other three Community Wealth Building pillars is advancing. Currently the Glasgow City Region Anchor Network, a group of senior representatives from the public, third and private sectors, are reviewing each Pillar to see what more the Region can do. Under the Work Pillar, 'Fair and Healthy Work', the City Region has become a Living Wage place through Living Wage Scotland, and a 'Good Employment Agreement' has been put in place. In the Finance pillar, some conversations have taken place around pensions given the direct investment portfolio of Strathclyde Pension Fund and the difference this could make if invested locally. Regarding Plural Ownership, the Region's Anchor Network is looking to this pillar next and anticipating the forthcoming Scottish Government review of social businesses.

Rurality was not a priority for this pilot, given it entails Scotland's largest metropolitan region, although within the region there are local authority areas which contain accessible rural areas. For example, South Lanarkshire Council created their own [Community Wealth Building Strategy in 2021](#), and were highlighted as a council with innovative implementation ongoing.

4.5 South of Scotland

Several structures are in operation in the South of Scotland to guide development in the region, and each plays a role in implementing Community Wealth Building policy. The [Convention of the South of Scotland](#), chaired by the Deputy First Minister, brings together public bodies with responsibility for growth and provides a forum for the exchange of ideas on priorities and how to tackle key regional issues. The [Regional Economic Partnership](#) is responsible for informing the development of and overseeing the delivery of the Regional Economic Strategy. [South of Scotland Enterprise](#) is the economic and community development agency responsible for

Dumfries and Galloway and the Scottish Borders, set up to address the distinct situation of this mainly rural area.

A paper on Community Wealth Building tabled at the [second meeting of the Convention of the South of Scotland](#) in October 2021 discussed the opportunities Community Wealth Building presented for the region, particularly the offer from Scottish Government for funding to produce a Community Wealth Building action plan. The Convention of the South of Scotland agreed that Community Wealth Building should be progressed in the region by embedding the principles of Community Wealth Building into South of Scotland Enterprise as it grows and by exploring the role of sectors, such as housing, in Community Wealth Building.

These priorities were progressed through the appointment of a Community Wealth Building Strategy Manager at South of Scotland Enterprise in February 2022, tasked with embedding Community Wealth Building principles across the region including through working on the Community Wealth Building pilot. A Community Wealth Building action plan on the housing sector was created and published in November 2022. This specifically focused on the role of registered social landlords as anchor institutions, in particular, [the retrofit of energy efficiency measures and clean heating systems across the housing stock](#). The research undertaken for the action plan brought a wide range of organisations together and made recommendations about how registered social landlords and others including local authorities, colleges and South of Scotland Enterprise could accelerate the delivery of retrofitting properties.

The next phase of work, post-pilot, gathered ‘archetype’ data on public housing stock into a database which can be sorted and categorised according to, for example, build material and property age. This was to enable registered social landlords and other relevant stakeholders including local authorities, colleges, and South of Scotland Enterprise to understand which parts of the public building stock they should start with, and why, to enable them to work together collaboratively, start to procure more locally, and make procurement more attractive to the construction sector locally. The third phase will be to use the database to agree on priority interventions, in discussion with registered social landlords.

South of Scotland Enterprise led the development of the [Regional Economic Strategy for the South of Scotland](#), which is owned by the Regional Economic Partnership. This ten-year strategy, released in September 2021, has six themes. Community Wealth Building is included in Theme 5, ‘Green and Sustainable Economy’ in two ways. First, to adapt homes to be low carbon and meet future Energy Efficiency Standard Social Housing milestones, thereby providing an ‘anchor investment point for community wealth building’. Second, to source local services and products to retain wealth and reduce environmental impact.

There are several rural issues at play in the South of Scotland which relate to the Community Wealth Building pilot and where retrofitting work is prioritised. The nature

of how houses are heated, with wood, coal and heating oil rather than gas, is an issue across much of the area; and older traditional properties are both hard to heat and hard to treat with retrofitting solutions. Fuel poverty is clearly correlated with rurality in the area, which the Community Wealth Building report mapped out. Procurement is an issue, with the availability of suppliers to do retrofitting work being a challenge, especially further west in Dumfries and Galloway.¹⁰

In terms of progressing Community Wealth Building policy implementation and implementing the recommendations of the pilot report, the next phase will be to decide where to focus the initial retrofitting, using the archetype database and in discussion with the range of stakeholders involved. Current work at South of Scotland Enterprise includes community-led approaches to Community Wealth Building, focused on capturing and supporting local expertise on creative placemaking (Stove Network, 2024¹¹). Work is also ongoing on Community Wealth Building and forestry and renewable energy. South of Scotland Enterprise and Dumfries and Galloway Council is collaborating with the Community Planning Partnership to assess Community Wealth Building activity in the area, with the aim of this information providing a basis for developing a Community Wealth Building strategy through the Community Planning Partnership.

4.6 Western Isles

A [Community Wealth Building action plan](#) for the Comhairle nan Eilean Siar/Western Isles Council and Outer Hebrides Community Planning Partnership was published in March 2021 which highlighted ways in which community wealth building is well established in the Western Isles and gives 21 actions for consideration.

The action plan highlights the unique nature of the Western Isles and notes the strong links between the community and economy including crofting and community land ownership, with [72% of the landmass of the Western Isles in community ownership](#). It notes that in some of the Community Wealth Building pillars, such as Inclusive Ownership, the Isles have plural ownership in many different sectors – with energy and land being the most pertinent examples. It also notes that alternative business models also thrive in the Western Isles, with social enterprises accounting for 12% of all employment outside of the public sector. The latest [Social Enterprises Census](#) also highlights the high proportion of social enterprises in the Western Isles at 124, or 47 per 10,000 people – the joint highest proportion in Scotland, tied with the Shetland Islands.

The Community Wealth Building action plan posed two scenarios, from the vantage point of early 2021 and the recovery and renewal agenda post-COVID-19. The first scenario was an escalation of current trends of an ageing and declining population,

¹⁰ Stakeholder interview

¹¹ Stove Network (2024). A Creative Placemaking Approach. South of Scotland Enterprise. Available at: <https://www.southofscotlandenterprise.com/news/a-creative-placemaking-approach-paper-published-by-the-stove-network-and-sose/> Accessed 20/9/24

fewer industries on the Isles, fewer and poorer quality jobs and increased dependence on the mainland. The second was an 'aggressive' implementation of Community Wealth Building by the Council to scale and deepen its remedies for the issues it knows the Isles face. The realisation of this future, the [Community Wealth Building action plan](#) proposes, involves the Council undergoing a bold step-change in its approach to its objectives.

Within the Western Isles, Community Wealth Building sits within the Chief Executive's Directorate, and the Chief Executive Officer (CEO) sits on the Scottish Government's [Community Wealth Building Bill Steering Group](#). Community Wealth Building is one of four sections within the Council's Community Engagement Unit, sitting alongside Communications, Community Learning and Development, and Community Planning. This Unit works with community groups to provide support and equity to strengthen the local economy, support resilient communities and quality of life. The [Community Wealth Building section](#) supports the delivery of the Regeneration Capital Grant Fund and other government funds and economic development community projects. Whilst the [2024-27 Corporate Strategy](#) reaffirms the commitment to build on principles of community wealth building and to redirecting wealth back into the local economy, the [CEO Directorate report for 2024-25](#) notes that the key areas of focus for the year are to engage with community area forums and develop area wide mapping of community engagement services.

The strong history of community ownership, social enterprise and community-led local development was noted as being key to the approach to Community Wealth Building in this area. There is a high level of volunteering and community-led work, and, whilst the links are not necessarily formalised, community groups are aware of Community Wealth Building policy.¹² Also, several of the principles of Community Wealth Building such as Plural Ownership are embedded in the Council's ways of working with the community through how it structures its funding packages. Retaining money within the island's communities is key to the Council's approach to economic development through place-based investment, including trying to attract young people and families to the area.

The director who had led on Community Wealth Building for the Council retired in summer 2024. Their successor is the head of the Community Engagement Unit and they plan to re-engage with the Community Planning Partnership and review the actions from the 2021 Community Wealth Building action plan to see which ones the Community Planning Partnership may wish to progress. Also worth noting is the possibility of Community Wealth Building principles being woven into the projects arising from [the £100m Islands Growth Deal](#), a 10-year package of investment that seeks to drive economic growth and the creation of sustainable jobs across Shetland, Orkney and the Outer Hebrides.¹³

¹² Stakeholder interview

5 Pilot Summaries

Table 1 Summary of Scottish Government CWB Pilots

Location	Scale	Output	Strategic Drivers	Initial Pillar focus	Initial Sectoral focus	Implementation	Next steps
Clackmannanshire Council	Local Authority	Action Plan	<ul style="list-style-type: none"> - Scottish Government Wellbeing Economy project. - Stirling and Clackmannanshire City Region Deal. 	Actions across 5 pillars. Implementation: - Spending, Workforce, Inclusive Ownership	<ul style="list-style-type: none"> -Procurement. - Living Wage and Gender justice. - Economic Strategy food and tourism) 	Council officer	2023 Progress report. Ongoing work, particularly on Economic Strategy, Procurement, Finance Pillar.
Fife Council	Local Authority	Action Plan	-Local Outcomes Improvement Plan.	Actions across 5 pillars. Implementation: Spending and Workforce pillars	-Vacant and Derelict land	<ul style="list-style-type: none"> - Support group of 4 anchor institutions. - Council CWB Project Manager. 	<ul style="list-style-type: none"> -Review of The Plan for Fife includes CWB as underpinning priority. -Community Benefits through City Deal.
Western Isles Council	Local Authority	Action Plan	<ul style="list-style-type: none"> -Community Planning Partnership. - Social enterprises, community landowners. 	Actions across 5 Pillars. Implementation: Employment and Land	-Community	Community Engagement Unit at Council	2024-27 Corporate Strategy reaffirms the commitment to CWB, focusing 24/25 on community area forums. Island Growth Deal.
Glasgow City Region	City Deal Region, comprising 6 local authorities	Two Sector Action Plans	<ul style="list-style-type: none"> - City Region Deal. -Vacant and Derelict Land work. - Sustainable Procurement work. 	Spending and Land pillars	-Implementation: Business case for developing Vacant and Derelict Land	<ul style="list-style-type: none"> - Business Case officer. - Groups in City Region Organisation. 	<ul style="list-style-type: none"> - Refreshing Action Plan. - Regional Anchor Network. - Work other pillars advancing.
South of Scotland	Enterprise Agency Region, comprising 2 local authorities	Sector Action Plan	<ul style="list-style-type: none"> - Convention of the South of Scotland. -Regional Economic Strategy. 	Spending and Land pillars	-Registered Social Landlords (RSLs) as anchor institutions, focusing on retrofitting social housing	<ul style="list-style-type: none"> - CWB Strategy Manager. -RSLs - Community Planning Partnerships. 	<ul style="list-style-type: none"> - Archetype database on housing stock for progressive procurement. - Community led creative placemaking report. - Forestry and renewable energy.

Table 2 Summary of CWB Pioneer Ayrshire

Location	Scale	Outputs	Strategic Drivers	Pillar focus	Sectoral focus	Implementation arrangements	Next steps
North Ayrshire Council initially, then Ayrshire Growth Deal	Local Authority, Regional (3 local authorities), Local Communities. Collaborations with Highlands and Islands Enterprise.	CWB Strategy (2020, first in Scotland). Growth Deal CWB Programme	- Council leadership. - CWB networks internationally.	Actions across all 5 pillars	Growth Deal focused on working with businesses.	- Council CWB Commission - Lead Officer Working Group.	- Second CWB Strategy and Action Plan issued 2024-2027. - Regional Economic Strategy. - Locally focused work, with particular emphasis on islands Arran and Cumbrae.

Table 3 Rural and Island Geographies in CWB pilots and pioneer

Area	Rural and Islands Geography
North Ayrshire Council and Growth Deal	Significant rural areas in geography, with notable work in islands of Arran and Cumbrae
Clackmannanshire Council	Significant rural areas in geography
Fife Council	Significant rural areas in geography
Western Isles Council	Rural island area
Glasgow City Region	The largest metropolitan urban area in Scotland. However, includes rural areas such as South Lanarkshire.
South of Scotland	Rural area, with notable small towns in accessible geographies.

6 Conclusions and implications

In the early days of the COVID-19 pandemic in 2020, when the Scottish Government was making decisions about how to manage the pandemic's severe economic repercussions, including where and how to direct financial support, several policy drivers enabled Community Wealth Building to develop as a policy concept. These included the commitment to become a [Wellbeing Economy](#) and the move towards deeper regional delivery of economic development, through eight Regional Economic Partnerships and the 12 City Region and Growth Deals including in Ayrshire, with its a £3m fund for Community Wealth Building. From a rural and islands perspective, the [National Islands Plan](#) was released in December 2019 and the Convention of the South of Scotland had been recently introduced to help elevate the specific issues facing rural communities in the South of Scotland.

Policy drivers provided fertile ground for the 2020/21 Programme for Government to commit funding for five pilot areas to create bespoke Community Wealth Building action plans whilst also emphasising that no one model would fit every part of Scotland. The Community Wealth Building action plans and the implementation which resulted are indeed each very different.

The Community Wealth Building pilots in Fife, Clackmannanshire and the Western Isles consisted of an action plan containing an appraisal of community wealth building in the local authority area with recommendations about how to progress. The two regional pilots, Glasgow City Region and the South of Scotland, steered the pilot work towards priority sectors. As shown in Figure 2, in all cases, strategic drivers influenced how the pilots were structured and/or adopted, albeit to differing degrees.

Glasgow City Region's two action plan reports fit clearly within the two pillars of Spending (i.e. sustainable procurement in the construction industry) and Land and Property (with a focus on vacant and derelict land), whilst the South of Scotland took a sectoral approach through its focus on retrofitting social landlords' housing stock. Also in the South of Scotland, the creation of South of Scotland Enterprise and the direction from the Convention of the South of Scotland to integrate Community Wealth Building into the Regional Economic Plan, with a dedicated manager role created to drive this work.

In Fife, Community Wealth Building was an underpinning priority of the Fife Partnership's updated plan, with work already underway across each pillar. An oversight group was created to drive forward Community Wealth Building and associated governance (e.g. a policy framework with bi-annual progress reporting at committee level) and programmes such as Life Chances. Fife were pragmatic in driving Community Wealth Building from the Council in areas where the Council had relative autonomy/greater ability to influence outcomes.

In the smaller local authorities of Clackmannanshire and the Western Isles, the implementation of the Community Wealth Building action plans has been different. In Clackmannanshire considerable progress has been made on many of the Action Plan recommendations, as the 2023 progress update highlights, although embedding Community Wealth Building in the economic development strategy for the area is yet to happen. In the Western Isles, Community Wealth Building principles around the Land and Property and Inclusive Ownership pillars run extremely deep, and local authority implementation arrangements have accordingly focused on the community engagement.

Implementation arrangements following on from the pilot work have varied. The pioneering work in Ayrshire was initially led by the leader of North Ayrshire Council, illustrating the role of leadership in embedding this type of work in an organisation. This was further enhanced by the Ayrshire Growth Deal providing support across three Ayrshire councils, bringing in a sizeable team focusing on Community Wealth Building. In some pilot areas resource has been provided to explicitly progress implementation, such as in Fife, South of Scotland, and Glasgow City Region where new implementation roles were created. In some cases, Community Wealth Building governance has been embedded at multiple levels, such as Fife with a council project manager and an anchor institution support group. In other cases, implementation has focused on incorporation into existing council practices, in the Western Isles and Clackmannanshire for example.

Whilst each area is different, it is possible to draw some high-level conclusions. The organisations leading the pilots in each area, particularly local authorities, reported extremely challenging financial conditions. For some local authorities, and by extension the regional structures of which they are a part, Community Wealth Building can be viewed as 'another thing to do'. With no statutory obligations and no additional funding, it has been down to each area to take the Community Wealth Building action plans which entailed the pilots and implement them in the most practical way.

As illustrated in Table 1, actions on the pillars of Spending, Workforce and Land were taken forward first by most of the pilots. Implementation in the pillars of Finance and Inclusive Ownership were less common. Progressing a finance recommendation common to most of the pilot Community Wealth Building action plans - to encourage their local pension fund to look for an open up to more local investment opportunities - was cited as a challenge by most areas.

Multiple interviewees questioned the sense in which Community Wealth Building action plans constituted a 'pilot', as pilots are more commonly associated with a phased introduction of major government policies or programmes, allowing them to be tested, evaluated and adjusted where necessary before being rolled out nationally. While the 'Community Wealth Building pilots' has become a repeated policy phrase, it may be more accurate to revert to the language of the 2020/21

Programme for Government to more clearly describe the five 'pilots' as areas which received Scottish Government funding for the Centre for Local Economic Strategies to create community wealth building action plans. On the one hand, the actions plans produced for the pilot areas did not entail a comprehensive pilot strategy nationally or within the areas. On the other hand, the uptake of Community Wealth Building policy in Scotland is notable, and the pilots clearly played a key role in promotion of the policy idea, developing implementation approaches, and direct implementation. Evaluation needs and indicators will be further considered in future reports. There is learning here on the successes and limitations of the structures of a pilot which would benefit from further study.

Where Community Wealth Building has gained traction as a practical way to implement a more inclusive approach to economic development, it seems to have certain ingredients in common. These include:

1. *An appetite for CWB within leadership.* Senior level leadership support for CWB can be instrumental.
2. *A culture of Community Wealth Building.* Linked to the above, an understanding throughout the organisational hierarchy that Community Wealth Building can be a way to build local economies.
3. *Employing practical and collaborative approaches.* Building on existing priorities and collaborations (such as with other public bodies, private industry and community organisations).
4. *Policy integration.* Inclusion across plans and policies generally, from strategic to local levels (e.g. regional economic plan, Community Planning Partnership plan).
5. *Explicit funding for CWB.* Inclusion of Community Wealth Building approaches in funding opportunities, such as Growth Deals, has been taken up in several areas.
6. *Resource.* Dedicated staff to champion and implement.
7. *Ensuring accountability.* Accountability for delivery through governance structures, including ongoing reviews.

These ingredients were present in Ayrshire, which also had the benefit of £3m funding for a number of dedicated staff to progress the Community Wealth Building agenda. Ayrshire will continue to be an interesting area for learning as it looks to working at a more granular, locality level, having done a lot of its Community Wealth Building work to date at the Council-led level. Also interesting is the regional and islands dimension, with multiple regional governance arrangements operating in Ayrshire, as well as the ways in which [Community-led Local Development](#) and Community Wealth Building complement each other.

Finally, whilst rural and island areas were not an explicit focus for the pilots, the piloting organisations contained significant rural areas of varying kinds (islands, sparsely populated rural areas, accessible rural areas, etc). A range of approaches,

projects and challenges are emerging from rural and island areas implementing Community Wealth Building.

Additional challenges were identified by public bodies in implementing policies in some in less accessible rural areas, such as in Fife and South of Scotland. In the Western Isles, Community Wealth Building responsibilities at the Council were directly incorporated into community engagement work, in a practical acknowledgement of community-led wealth building work which occurs in that region. Community Wealth Building in South of Scotland is also notably characterised by rural geography, with rural context central to the housing work undertaken as the pilot, and more recent implementation work on community-led creative placemaking and forestry and renewables. Even the most urban pilot, Glasgow City Region, identified community wealth building work occurring in rural area of the region like South Lanarkshire. How policy can best support relevant rural and island Community Wealth Building expertise would benefit from further research.

Further research will develop our understanding of how Community Wealth Building is being implemented in Scotland's rural and island areas. It is clear from the pilot work that Scotland's approach to Community Wealth Building is strongly influenced by its rural geography and expertise in community-led rural development. Creating effective alignment between policy at national and regional levels and community expertise on Community Wealth Building could result in significant successes— e.g. the fundamental changes in economic systems lauded by policy advocates. To do this will require understanding, and appropriately accounting for, Scotland's rural and islands contexts.

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