



Implementing Community Wealth Building

A G U I D E

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Ministerial Foreword

Community Wealth Building (CWB) is an internationally recognised model of economic development designed to tackle long standing systemic challenges facing local, regional and national economies by considering the ways in which wealth is generated, circulated and distributed.

The Scottish Government is committed to CWB as a key means of addressing the challenges posed by post-Covid recovery, the climate crisis, tackling child poverty and entrenched inequalities. Some individual local authorities have been trailblazers on CWB, with others developing Community Wealth Building action plans as part of their Economic recovery strategies. The Scottish Government has committed to assisting all local authorities to develop tailored plans. This guide forms a part of that assistance.

Scotland's National Strategy for Economic Transformation (NSET) aims to redesign our economic system based on the principles of a wellbeing economy. This cannot be achieved through simply redistributing wealth, but must be hard-wired into everything we do, the system should place the wellbeing of current and future generations at its heart, balancing prosperity with the principles of equality, sustainability and resilience.

Achieving the benefits of CWB requires deep working partnerships between national and local government and all organisations with a significant presence in local and regional economies, including public bodies, health and educational institutions, businesses, trades unions and the third and community sectors. It is therefore important for all such bodies to understand and embrace a CWB approach and consider what actions they can take to help build and share the benefits of local and nationally generated wealth.

In response to this challenge, I welcome this guide. It offers practical support for all those seeking to pursue a CWB approach in their locality and/or wider region. It is both a first introduction for those new to the topic as well as a source of helpful advice and resources for any stage of the journey.



Tom Arthur MSP
Minister for Public Finance,
Planning and Community Wealth

Introduction

Community Wealth Building (CWB) is an internationally recognised model of economic development designed to tackle long standing systemic challenges facing local, regional and national economies by considering the ways in which wealth is generated, circulated and distributed.

Through a defined five pillar model of deliberate and practical action, CWB seeks to direct and retain more wealth in communities by creating new fair work opportunities; helping local businesses and inclusive business models to expand; and placing more assets in the hands of local people and communities, ensuring that our collective wealth works better for people, place and planet.

The Scottish Government is committed to CWB as a key means of addressing the challenges posed by post-Covid recovery, the climate crisis, tackling child poverty and entrenched inequalities. Some individual local authorities have been trailblazers on CWB, with others in Scottish Government enabled pilots, developing Community Wealth Building action plans as part of their Economic recovery strategies. As part of the COVID Recovery Strategy: for a fairer future, the Scottish Government has committed to assisting all local authorities to develop tailored plans. This guide forms part of that assistance.

Scotland's approach to the CWB model is a strategic one – designed to add value and influence activity within the landscape of interacting budgets, partnerships and investment programmes we already have – maximising the return for *existing* mainstream and any new investment. It is about cementing and augmenting existing practice and challenging ourselves to do things differently. Ultimately, CWB can be of practical use in realising a functional wellbeing economy across Scotland's regions and local areas.

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In response to this challenge, this guide offers practical support for all those seeking to pursue a CWB approach in their locality and/or wider region. It is both a first introduction for those new to the topic as well as a source of helpful advice and resources for any stage of the journey.

The sections below provide an understanding about the benefits of Community Wealth Building – as demonstrated by its advance in many places already – and the potential it offers for local, regional communities and Scotland as a whole.

INTRODUCTION

The document takes you through the process of adopting a Community Wealth Building approach and the first steps required when developing a CWB action plan, by offering a set of practical tools to help local stakeholders plan and work together to achieve this. There are numerous examples and case studies provided detailing what others are doing and what has worked elsewhere.

In the rest of this guide, you will learn about:

- 1. What is Community Wealth Building?**
- 2. Community Wealth Building in Scotland.**
- 3. Useful tools and resources to help you develop your action plan.**
- 4. Examples of good practice from Scotland and further afield.**
- 5. Further resources.**

Note: examples and service providers mentioned in this document are offered for information and illustrative purposes and do not represent a commercial endorsement.

What is Community Wealth Building?

Community Wealth Building is an action-focused, place-centred approach to local / regional economic development. CWB retains and redirects more wealth back into local economies and places more control of assets and resources into the hands of local people. As a result wealth can work progressively better for communities rather than being 'extracted'. Locking-in and circulating wealth in this way can lead to more opportunities for local enterprises, job-growth and opportunities for progression, boosts social inclusion and empowerment, and creates environmentally-sustainable local economies, supporting the achievement of Net Zero targets. Key to advancing and enabling Community Wealth Building is the role of local **anchor organisations**.

Anchor Organisations

Anchor organisations are public, commercial, and third sector organisations with a significant presence and stake in the local community. These include local authorities, public bodies, colleges, universities, hospitals, schools, housing associations, community and social enterprises and private businesses. As large employers, purchasers of goods and services, and owners of land and property, these anchors exert significant influence on the local economy and labour market.

If anchor organisations work together they can have a transformative effect on the prosperity and wellbeing of their local communities.

Importantly, Community Wealth Building is not simply an 'add-on' to existing economic development strategies and does not only seek to alleviate the negative effects of inequality and the extraction of wealth from local communities. It is also not regeneration or place-making under a different name. It is an economic development model that provides strategic clarity by offering a practical framework which pulls all existing policies and actions together, **creating a coherent strategy: one which maximises the impacts of investment in local areas and supports more local ownership of assets and wealth.**

In this, CWB seeks to be predistributive, offering greater wealth for all, and thus potentially reducing upstream demand on some public services or the benefit system. CWB offers a new way of organising our economy, by advancing economic ownership and ensuring the economy genuinely works for all.

CWB links with many of our current policies seeking fairer, greener and more resilient local and regional economies. However there are several features which set it apart:

WHAT IS COMMUNITY WEALTH BUILDING?

1. There is an explicit focus on increasing the role of local people and organisations in the ownership of assets and generation of wealth, including through inclusive businesses models such as cooperatives and employee-owned enterprises.
2. An onus is placed on all local ‘anchor’ organisations – not only local authorities and economic development agencies – to collaborate and maximise actions which increase local investment and lock-in local wealth.
3. The actions which different organisations take are coordinated as part of an explicit CWB strategy (or ‘action plan’) which includes action across five pillars.

CWB’s **five pillars are: inclusive ownership, spending, finance, workforce, and land and property.** Acting through these five pillars as part of a well-planned strategy has been shown to deliver transformational change.



Where Does Community Wealth Building Come From?

The concept of Community Wealth Building first emerged in Cleveland, USA, where from around 2008 a successful mix of locally-focused spending by city institutions and the development of employee-owned cooperatives became known as '[The Cleveland model](#)' (see case study section below). Following widespread recognition of the success of this model in generating local opportunities and tackling urban inequalities, a similar strategy was adopted in the city of Preston, UK. What became the '[Preston model](#)' saw a huge increase in the proportion of locally-retained spending, among other positive impacts. There are now [dozens of places](#) in the UK seeking to develop similar strategies, with Scotland emerging as a leader by adopting a 'whole-nation' approach to Community Wealth Building.

Interest in Community Wealth Building has also been growing worldwide, in part due to the work of the [Democracy Collaborative](#) in the USA and the [Centre for Local Economic Strategies](#) (CLES) in the UK. Examples of Community Wealth Building can be found in Australia, Canada, Japan, Spain (Basque Country), and [many other countries](#), with the list growing every year.

Community Wealth Building in Scotland

Both the Scottish Government and local authorities are actively embracing the potential of Community Wealth Building to create a fairer, greener Scotland which puts wellbeing at its heart.

The Scottish Government's commitment is reflected in the 2021-22 Programme for Government¹ and the National Strategy for Economic Transformation² (NSET). Page 32 of the NSET explains that Community Wealth Building "will use public and private investment through procurement and other means to create new employment opportunities, help local businesses to expand, and place more assets in the hands of local people and communities". In doing so every region and community in Scotland can participate in, and benefit from, economic activity.

In developing the legislation the Scottish Government is committed to learning from the 5 pilot areas and other localities implementing CWB approaches. The Legislation planned for the current parliamentary term [2021-26], will be developed following feedback on those areas which are impeding or acting as barriers to progressing and realising the benefits of a CWB approach to economic development. To support this development work the Scottish Government have established a CWB Bill Steering Group chaired by the Minister for Public Finance, Planning and Community Wealth with representation from public, third and private sector to provide oversight and help frame the legislative proposals. In addition there will be a public consultation prior to the introduction of any legislation to gain the widest possible feedback on areas for change, including policy, culture and practice as well as legislative alteration.

Community Wealth Building is viewed as a practical model to create a Wellbeing Economy³. This means an economy that is inclusive and promotes sustainability, prosperity, equality and resilience. In a wellbeing economy businesses can thrive and innovate, workers are given greater security, and communities are able to access opportunities that deliver economic development and wellbeing.

¹ Scottish Government (2021). *A Fairer, Greener Scotland: Programme for Government 2021-22*.

<https://www.gov.scot/publications/fairer-greener-scotland-programme-government-2021-22/documents/>

² Scottish Government (2022). *Scotland's National Strategy for Economic Transformation*.

<https://www.gov.scot/publications/scotlands-national-strategy-economic-transformation/documents/>

³ Scottish Government (2021). *Wellbeing Economy Governments*.

<https://www.gov.scot/groups/wellbeing-economy-governments-wego/>

Benefits of Community Wealth Building for Scotland

In the context of COVID-19 recovery, EU exit, the climate crisis, and tackling structural inequalities, Scotland faces a what has been described as a ‘decisive decade’ in which it is necessary to fundamentally transform our economy for the benefit of people, place and environment.

In response to this challenge, Community Wealth Building is central for the transition to more vibrant, inclusive and sustainable local and regional economies.

Key advantages include:

- **Buoyant local economies:** increasing local procurement spend ensures more public money is reinvested locally, generating local employment and business growth. With more wealth circulating locally there is then a ‘multiplier effect’: creating more opportunities for new businesses to emerge and develop and further employment generation.
- **Empowered communities:** targeted procurement and investment can grow the capacity of inclusively-owned enterprises and support local groups to take over assets where appropriate. This empowers local communities, including where people may have previously been excluded from managing local assets and or benefitting from wealth generation.
- **Net Zero:** promoting shorter supply chains and local ownership of renewable energy generation creates more sustainable local economies and facilitates the transition to net zero.
- **Local wellbeing:** By embedding fair work practices, such as the Real Living Wage and recruitment from local communities, Community Wealth Building can play a central role in supporting people’s wellbeing and local economic resilience.
- **Social investment:** potentially improving incomes, job security and employment opportunities while empowering communities helps to reduce pressures on public services.
- **Tackling inequalities:** taken together, the benefits of CWB can help tackle specific economic, health, gender and income inequalities (see Improvement Service, 2020, p8 in reference list at bottom).
- [\[see Improvement Service CWB briefing note, p8\].](#)

Community Wealth Building in Scotland

To demonstrate the potential of CWB and facilitate the implementation of this approach, the Scottish Government provided support to five geographical areas to develop and implement CWB action plans. These are Clackmannanshire, Glasgow City Region, South of Scotland, Tay Cities (Fife) and the Western Isles. In addition, £3 million of funding has been provided to support CWB in Ayrshire, through the Ayrshire Growth Deal, commencing in April 2021. In May 2020, North Ayrshire Council launched Scotland's first Community Wealth Building strategy.

The CWB approach provides a new opportunity to galvanise a wide range of contributory actions with the aim of enabling a functioning wellbeing economy at the local, regional and, ultimately, national level. SG expects local authorities and the other public sector anchors to work with the third sector, business and communities to ensure the advancement of CWB in Scotland is an inclusive and collaborative process.

Many other organisations throughout Scotland are also adopting practices associated with CWB. Examples of these experiences are shared throughout this guide including local community organisations and businesses.

The next two sections provide information and advice to help you develop, implement or improve a CWB action plan for your area or organisation. The first gives an overview of the main issues to consider within each of the five 'pillars', or areas of activity, and ideas for actions you could take. Many of these involve small practical changes you can adopt within your existing operations or governance frameworks. The second part brings these five areas together, summarising areas to think about when getting started and taking your first steps to develop your CWB action plan.

The Five Pillars and How to Use Them

Adopting Community Wealth Building means developing a strategic vision for an area and taking actions within the five pillars:

- **inclusive ownership** – developing more local and social enterprises which generate community wealth, including social enterprises, employee owned firms and cooperatives.
- **spending** – maximising community benefits through procurement and commissioning: developing good enterprises, fair work and shorter supply chains.
- **finance** – ensuring that flows of investment and financial institutions work for local people, communities and business.
- **workforce** – increasing fair work and developing local labour markets that support the wellbeing of communities.
- **land and property** – growing the social, ecological, financial and economic value that local communities gain from land and property assets.

Each of these pillars helps to create a local economy in which members of the community have a stake in, and benefit from, the generation and sharing of wealth. Not all organisations will be able to take actions towards every one of these pillars, however individual actions taken by different organisations can be incorporated into an overall CWB strategy for an area.

The sections below explain each pillar in more detail, including actions to consider, useful tools and resources, and case study examples.

Getting Started: First Steps and Action Planning

Adopting Community Wealth Building involves developing and agreeing a CWB strategy supported by an action plan which, as far as is relevant to your organisation, includes taking steps along the five pillars. This action plan then sees local institutions and organisations pursuing practical, tailored actions which use the tools and frameworks already at their disposal.

While there is no single ‘one size fits all’ way to pursue CWB, the following steps can help you get started:

- Convene an internal working group to develop your CWB strategy and supporting action plan.
 - **TIP:** This group should include representatives with an interest in and influence over the 5 pillars of CWB
- Map what you already do that supports Community Wealth Building, under each of the 5 pillars.
 - **TIP:** Look at each pillar, for example: how are you using land and property assets?; how do you procure and commission services?; how much do you know about your supplier base? where does your spend go?; are you applying Fair Work principles as an employer/ commissioner of goods and services?. More detail can be found under each pillar.
- Seek available guidance and best practice, tailoring these to your own needs and goals.
 - **TIP:** you can also reach out to external experts if helpful.⁴
- Set your vision and agree first steps. Consider metrics including the establishment of your baselining to enable you to measure progress, and link objectives to available organisational capacity and resource.
 - **TIP:** you may want to link to your Community Planning Partnership and/or LOIP objectives. The Wellbeing Economy Monitor may provide some helpful metrics detail.
- If applicable, engage with other local anchor institutions to create a working group or commission⁵.
 - **TIP:** existing Community Planning Partnership structures may facilitate this.
- As far as possible, agree a common, collaborative strategy for your region or locality., which is reflected in organisational goals and supported by specific actions.
- Implement agreed actions and review progress at agreed stages, these should be detailed within your action plan to allow progress to be articulated

⁴ For example, see North Ayrshire Council’s Community Wealth Building Expert Panel: <https://www.north-ayrshire.gov.uk/council/community-wealth-building/cwb-expert-panel.aspx>

⁵ For example, see North Ayrshire Council’s Community Wealth Building Commission: <https://www.north-ayrshire.gov.uk/council/community-wealth-building/cwb-commission.aspx>

These steps may apply differently depending on your organisation. A local authority may seek to convene a regional working group, while other local anchor institutions may seek to join such a group. However, there are independent actions you can take— such as reviewing your spending, recruitment including the promotion of Fair work practices, and use of land and assets – which can contribute to Community Wealth Building goals.

When developing your strategy you may wish to ask yourself which actions you can take that would make a difference to the following Community Wealth Building priorities:

- 1. Increasing the number and size of inclusively-owned and socially-minded local enterprises.**
- 2. Increasing the proportion of spend on the local economy and inclusive enterprises.**
- 3. Increasing the finance and investment available to local and inclusive enterprises.**
- 4. Promoting fair work standards and inclusive recruitment practices.**
- 5. Encouraging greater local management and ownership of land and assets.**
- 6. Overall, stimulating the role of local people and organisations in the generation and circulation of wealth.**

1. Inclusive Ownership

Currently, wealth generated by people and businesses in our communities can be extracted elsewhere and does not fully benefit local areas as it might. This can impede local growth, job creation and job security. In response Community Wealth Building seeks to rebuild the link between local wealth generation and local communities.

A central way of doing this is to develop a more diverse blend of ownership models. We know that locally-owned and purposeful businesses⁶ are more likely to employ, buy and invest locally. For this reason, actions in the 'inclusive ownership' pillar seek to promote models of shared enterprise ownership that supports as much of the wealth created by users, workers and local communities as possible to be retained and circulated rather than flowing out of their economy as profits to distant shareholders. This ambition is shared by the Scottish Government, which for example has set a target of reaching 500 employee-owned businesses in Scotland by 2030.

As well as actions aimed specifically at supporting the formation and development of these types of enterprises, inclusive ownership also depends on actions in the other pillars. Taking a progressive approach to spending, finance, and land and property creates a level playing field in which shared and locally-owned enterprises can compete.

Useful Tools and Resources

[see links in the resources section at the end of this document]

Cooperatives and Employee-Ownership

- Co-operative Development Scotland
- Co-operatives UK
- Scottish Enterprise Employee Ownership Support
- Scotland for Employee Ownership Leadership Group
- Fifty-by-Fifty

Social and Community Enterprise

- Social Enterprise Scotland
- Social Enterprise Academy
- Just Enterprise
- Community Enterprise in Scotland (CEIS)

Municipal Ownership

- Institute for Government
- CommunityWealth.org
- Association for Public Service Excellence
- LGiU (UK and Scotland)

⁶ 'Now is the time for Purpose: putting purpose at the heart of Scottish business'. [Click link to download the report](#)

Examples

Municipal Renewable Energy: North Ayrshire Council

North Ayrshire Council has a target date of 2030 to become carbon net zero and is seeking to establish alternative uses of council land to generate renewable energy. So far these plans involve three projects: two council-owned solar farms on former landfill sites and the proposal for a wind turbine and solar farm project at the i3 Strategic Investment Campus in Irvine. In total these sites could potentially produce 277% of the council's future energy demands, with excess energy sold to other anchor institutions in the region. Income generated will be re-invested in North Ayrshire.

These municipal renewable energy projects meet multiple community wealth building objectives: inclusive ownership via municipalisation; local spend via procurement; productive use of Council-owned land and assets; and capital investment to support actions to reduce carbon emissions.

Community-Owned Assets: Loch Ness Hub

In 2021 the local community took ownership of the tourist information centre at Drumnadrochit from Highland Council. This took place as a Community Asset Transfer and involved raising £110,000 through community shares and funding from a range of public and charitable agencies⁷. In the process a community benefit company, Loch Ness Hub, was set up (<https://lochnesshub.com/>). The new Hub has developed the local service offer which includes E-Bike hire, promotion of sustainable and active transport, baggage and shuttle transfers and purchase of Loch Ness Travel.

The benefits of this community-owned asset include local job creation, the establishment of a community transport hub, and the generation of wider economic activity in the area. Meanwhile profits are invested back into the local community rather than to distant shareholders.

Read more case studies on Scottish Enterprise's employee ownership advice page:

<https://www.scottish-enterprise.com/support-for-businesses/business-development-and-advice/employee-ownership>.

⁷Read more about the fundraising process for Loch Ness Hub here:

<https://www.hie.co.uk/our-region/casestudies/lochnesshub/>

2. Spending

How we spend public resources on goods and services is a key economic development lever. Community Wealth Building promotes the progressive procurement of goods and services as a means to achieve greater economic, social and environmental benefits for communities. This requires balancing value for money considerations with procurement strategies which operate in the interests of local businesses and communities.

Progressive procurement involves increasing the percentage of money spent by the public sector on local enterprises, including on those with shared ownership models. By tailoring procurement processes and decision making, councils and other anchor institutions can create denser local and regional supply chains. In turn, these are more likely to support local employment and have a greater tendency to recirculate wealth and surplus locally.

Useful Tools and Resources

[see links in the resources section at the end of this document]

Procurement and Supplier Development

- Partnership for Procurement.
- Supplier Development Programme
- Sustainable Procurement Tools
- Scottish Government Public Sector Procurement Support
- CLES: Restoring Public Values: The Role of Public Procurement

Targeting Spend and Community Benefit

- Social Enterprise Finder
- Employee Ownership Business Census
- Cenefits: social benefits measurement system.

Examples

Mossgiel Farm, East Ayrshire

Mossgiel is an organic farm in Mauchline, East Ayrshire with the intention of bringing traditional dairy products back to Scotland in a modern and environmentally friendly way using fairness in everything they do – from how farmers are paid, cattle are looked after, land is used and consumers are treated.

As part of this ethos, Mossgiel were looking to supply local organic milk to schools in the council area. East Ayrshire's Community Wealth Building team (supported by £3m Scottish Government funding via the Ayrshire Growth Deal) were able to assist Mossgiel through the tendering process and provide some financial assistance to support and strengthen the business' sustainability credentials.

2. SPENDING

Ultimately they were successful in the tender and now supply milk to schools across all of East Ayrshire. The success here offers an excellent example of how local suppliers can be supported by local anchors to compete in tendering processes, and how anchors – such as East Ayrshire Council – can support local businesses (with fair work and climate positive practices front and centre) in a way that contributes to, and retains wealth within the local economy

Supplier Chain Development: North Ayrshire's Experience

As part of its Community Wealth Building approach, North Ayrshire Council has focused resources and support on ensuring more local businesses are able to tender for public contracts., growing local businesses and supply chains. Key actions initiatives include:

- **Taking an active role in the national Supplier Development Programme** (<https://www.sdpscotland.co.uk/>), which supports local businesses to become 'tender ready' throughout Scotland. The joint Ayrshire 'Meet the Buyer' event in April 2021 saw 664 suppliers book to meet the procurement teams of the three Ayrshire councils and a number of other spending organisations.
- **North Ayrshire Council Economic Growth:** North Ayrshire Council's Economic Development and Regeneration Service offers advice and information to help local businesses grow. See This is North Ayrshire (<https://www.thisisnorthayrshire.co.uk/>) for more information.
- **Community Wealth Building Fund:** among other interventions, through this fund Community Wealth Building locality officers provide support on supplier development and capacity building.

An example of the benefits of this approach is the experience of **James Frew Ltd**, a local building services company. As reported in the council's 2021 annual report on CWB, the company benefitted from the local authority's Procurement Consultancy Support and Business Support and Development services. As a result of the support received, the company built up a 'tender library' of key tender resources and increased knowledge of marketplace and tender opportunities. It also achieved re-certification of Gold membership of Constructionline. The impact has been to improve tender scores, contract wins, long-term planning and investments, and commitment to intake of apprentices: the vast majority of which are recruited from the local area.

3. Finance

Affordable credit is the life blood of many small and socially-minded businesses without which they may struggle to get started, grow or compete with larger or international firms. Increasing financial investment and flows within a local economy is therefore critical to the success of local enterprises and the building of community wealth. Progressive finance can also address inequalities in access to credit and empowers local people to meet local needs.

Community Wealth Building seeks to increase flows of investment within local economies by harnessing the wealth that exists locally. Anchor institutions, national investment banks, regional cooperative banks, community banks, credit unions and non-profit financial institutions have a crucial role to play in this process. Particular vehicles that can be considered and supported include community-focussed investment such as social investment and Community Development Finance Initiatives (CDFIs). Community Wealth Building also looks at mainstream public and private financial investment and the potential of harnessing public sector pension funds.

Useful Tools and Resources

[see links in the resources section at the end of this document]

Guidance and Examples

- SCRIG (2021). Community Wealth Building and Finance Blog Series:
- Bentley, R. (2022). Community Wealth Building – Making Financial Power Work for Local Places. *Responsible Finance*.
- The Smith Institute et al (2012). *Local Authority Pension Funds – Investing for Growth*.
- Community-Wealth.org. *Case Studies: State and Local Investments*.

Service Providers

- Social Investment Scotland
- Scottish National Investment Bank
- DSL Business Finance
- Scottish Communities Finance Ltd
- Foundation Scotland
- FirstPort

Examples: Social Investment and Community Finance Case Studies

The Catalyst Fund and Sustainable Thinking Scotland

Delivered by First Port and Social Enterprise Scotland, **the Catalyst Fund** supports organisations which are not able to access finance through standard loans, offering investment which can be repaid based on turnover rather than increasing interest rates. This suits small businesses and start-ups whose income is variable. Enabled by £15m in Scottish Government investment (as part of a wider £30m Third Sector Growth Fund), the Catalyst Fund is designed to finance ambitious social enterprises in Scotland⁸. According to Josiah Lockhart, CEO of FirstPort, this fund is a good example of the finance pillar of CWB, because “social enterprises, by their nature, respond to local circumstances and make a positive contribution to their communities”⁹.

The first social enterprise to receive support from the Catalyst Fund is Sustainable Thinking Scotland C.I.C.¹⁰. The Bo’ness-based company will be boosted by an investment of £190,000 to enable it to bring its biochar technology to market. Using a circular economy approach, biochar can both reduce nutrient pollution in waterways and be added to soil to support food production. The investment will accelerate production capacity, R&D activity, and employment of additional staff to prepare for scale-up¹¹.

Linlithgow Community Development Trust (LCDT): Funding Renewable Energy through Community Bonds¹²

Since 2018, Linlithgow Community Development Trust (LCDT) has been harnessing power of community finance to develop local renewable energy generation. This is part of an ambition to become the first carbon neutral town in Scotland.

In LCDT has completed two waves of fundraising via Community Bond Offers with Scottish Communities Finance (SCF) Ltd. Through Community Bonds, ordinary people invest small sums of money to support their communities, and in turn receive both a social and financial return on their investment.

⁸ Scottish Government (2022). Third Sector Growth Fund. <https://www.gov.scot/news/third-sector-growth-fund/>

⁹ Lockhart, J. (2022). CWB and Finance – Part 3: Providing Investment that Works for Social Enterprises and Their Communities. Scotland’s Centre for Regional Economic Growth. <https://www.inclusivegrowth.scot/community-wealth-building/2021/06/cwb-and-finance-part-3-providing-investment-that-works-for-social-enterprises-and-their-communities/>

¹⁰ Read more: <https://www.facebook.com/SustainableThinkingScotlandCIC/>

¹¹ Read more by FirstPort Scotland: <https://www.firstport.org.uk/news/the-catalyst-fund-announces-its-first-investment/>

¹² The full case study can be read on the Scottish Communities Finance website here: <https://scotcomfinance.scot/linlithgow-community-development-trust-lcdt/>

3. FINANCE

With the investment raised, LCDT has established solar panel systems on three sites, all local sports clubs with a community role. According to an SCF case study, so far these schemes have:

- saved all 3 clubs around £900 on their grid electricity costs by using solar electricity even with lower than usual energy consumption overall due to COVID inactivity.
- earned sufficient funds towards repaying Community Bonds with interest in the longer term. generated surplus revenue for the community.
- saved enough carbon emissions equivalent to driving a car almost 4 times around the Earth!
- SCF Ltd and LCDT are in discussions about a third, larger Community Bond offer, and also hope to generate enough energy to guarantee an income stream to support other community activities.

4. Workforce

Good, fair and quality employment, job security and skills development are key elements of an inclusive and resilient local economy which promotes social wellbeing. However the rise of in-work poverty and zero-hour contracts, together with the erosion of job security means that for many people the reality of employment is increasingly precarious.

Community Wealth Building aims to improve local employment opportunities, worker rights and employee wellbeing. This pillar aligns closely to the Scottish Government's Fair Work framework. Through the Fair Work Action Plan (<https://www.gov.scot/publications/fair-work-action-plan/>) the Scottish Government aims to support employers to adopt fair work practices and deliver fair work ensuring a diverse and inclusive workforce.

The actions of anchor organisations have a defining effect on the employment prospects, incomes, and overall prosperity of local people and communities. Such organisations can act as economic agents of change by targeting recruitment towards poorer communities and harder to reach neighbourhoods, building commitments from employers to pay the Real Living Wage, adopting inclusive employment practices, opening progression routes for workers and providing comprehensive union recognition.

Useful Tools and Resources (see links in the resources section at the end of this document)

- Fair Work Convention: The Fair Work Framework. <https://www.fairworkconvention.scot/the-fair-work-framework/>
- Visit fairworktool.scot for guidance on how to develop your own fair work charter
Scottish Government *Fair Work First guidance* for employers and public sector partners. <https://www.gov.scot/publications/fair-work-first-guidance-support-implementation/>
- Scottish Government *Fair Work tool for employers*. <http://www.fairworktool.scot/>
- Scottish Government *Scottish Business Pledge*. <https://scottishbusinesspledge.scot/>
- Poverty Alliance: Scottish Living Wage Accreditation. <https://scottishlivingwage.org/>
- Living Wage Places Toolkit. <https://www.livingwage.org.uk/living-wage-places-toolkit>

Examples

Dundee: Living Wage City¹³

In 2019 over 50 local employers – including Dundee City Council – developed an action plan to make Dundee the UK's first 'Living Wage City'. This involved committing to ensure all staff and subcontracted staff receive a Scottish Living Wage and setting a goal of doubling the number of workers covered by Living Wage accreditation in Dundee over three years.

In 2021 alone an additional 25 Dundee employers signed-up to Living Wage accreditation, bringing the total to 94 with 18,000 people in the city being paid at the higher rate. In recognition of this work, the Dundee Living Wage Action Group was crowned winner of the 'Places Champion Award 2021' category by Living Wage Foundation.

Northern Care Alliance: Inclusive Recruitment

In Greater Manchester, the Northern Care Alliance NHS Foundation Trust has bypassed the advert and interview process for many of their entry level positions and are now reserving these positions for the recipients of targeted pre-employment training programmes. Having mapped their employment profile, they have identified deprived postcodes where they are not employing people and have designed specific pre-employment training packages to help these local residents to enter their workplace. Over a 3-year period they aim to create 1000 pre-employment training posts every year with linked job opportunities.

Through the adoption of these programmes, the NCA are starting to change the narrative around their workforce by using their power as employers to tackle the social determinants of health and create a more just society.

Read more examples of progressive NHS recruitment by CLES:

<https://cles.org.uk/blog/nhs-supporting-those-furthest-from-the-labour-market/>.

¹³ Read more by CLES at: <https://cles.org.uk/community-wealth-building-in-practice/community-wealth-building-places/dundee-living-wage-city/>.

5. Land and Property

Land and property assets are a key feature of any economy. How these assets are owned and managed can go a long way to ensuring wealth is generated and retained to the benefit of local communities. However while Scotland has an abundance of these resources, current ownership patterns are unequal and highly concentrated, in addition public sector land and assets can be underutilised. This means that wealth is often extracted, and groups are unable to access assets that could allow them to generate local wealth and income.

Public sector bodies hold significant land and property assets and can play an important role in addressing this challenge. Through a Community Wealth Building approach, a greater portion of these assets can be owned and managed in inclusive ways which ensure that they generate wealth for local citizens. This can ensure our shared buildings, parks, and other land holdings work to promote good local economies, sustainable environmental stewardship, and greater social justice.

There are many practical ways to promote more inclusive management and ownership of land and assets in Scotland. The Community Empowerment Act has a defined legal process for asset transfers which gives rights to communities seeking to acquire assets, and places certain duties on public bodies. In addition, public organisations can develop governance and management strategies through which community groups assume direct control of public land or buildings, for example through transferring under-utilised assets to Community Land Trusts or working through Public-Commons Partnerships¹⁴.

Meanwhile the longstanding challenge of vacant and derelict land, particularly in more deprived regions, presents an opportunity in terms of how these sites might be brought into inclusive, productive use¹⁵. Adopting a Community Wealth Building approach to this problem can reduce inequalities and deliver on wider environmental ambitions such as access to safe green space, community gardens, planting and local food growing and climate adaptation strategies¹⁶.

¹⁴ Common Wealth [2021]: A New Model: <https://www.common-wealth.co.uk/interactive-digital-projects/a-new-model>

¹⁵ For example, read about Scotland's Vacant and Derelict Land taskforce: <https://www.landcommission.gov.scot/our-work/housing-development/vacant-and-derelict-land-taskforce>

¹⁶ Scottish Land Commission: Community Wealth Building: <https://www.landcommission.gov.scot/our-work/good-practice/community-wealth-building>

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Useful Tools and Resources

(see links in the resources section at the end of this document)

Scottish Land Commission – Guidance on Community Wealth Building.

Asset Transfer

- COSS – Community Asset Transfer Guide and Resources.
- COSS – Asset Transfer Guidance for Relevant Authorities
- Scottish Government – Asset Transfer: Summary Guide.
- Scottish Enterprise Asset Register.

Land Management

- Common Wealth (2021). *A New Model: Public-Common Partnerships*¹⁷.
- Scottish Land Commission. Vacant and Derelict Land Toolkit and Case Studies.
- Community Land Scotland

Place-Based Approaches and Tools

- Scottish Government: Place Principle
- Scottish Government: Our Place
- PAS – Guide to Community-Led Plans
- Place Standard
- Town Toolkit
- Understanding Scottish Places

Examples

Midsteeples Quarter, Dumfries¹⁸

Like many towns throughout Scotland, Dumfries town centre has its fair share of empty and poorly-maintained buildings. But the local community is doing something about it.

Midsteeples Quarter (<https://www.midsteeplesquarter.org/>) is a response to what emerged from community engagement led by The Stove Network, a community-led social enterprise in the town centre. The Midsteeples Quarter project will see the local community take back control of a group of underused and neglected High Street buildings and refurbish them as a contemporary living, working, socialising, learning and enterprising quarter. The intention is to create over 60 new homes and 50 commercial spaces. The vision is to create “a new beating heart for a more diverse town centre and a catalyst for a thriving and resilient future Dumfries”.

The project is being delivered by a community-led property development company (a community benefit society called Dumfries High Street Limited, trading as Midsteeples Quarter). Voting membership is open to everyone in Dumfries; its more than 650 members elect a board

¹⁷ <https://www.common-wealth.co.uk/interactive-digital-projects/a-new-model>

¹⁸ Text adapted from the Town Toolkit website, towntoolkit.scot. Read the full case study here: <https://towntoolkit.scot/case-studies/community-led-midsteeples-dumfries>

5. LAND AND PROPERTY

annually, who employ a project team for day-to-day delivery. The Blueprint for the Quarter contains the economic case for the project and a phased and costed masterplan for its delivery. In April 2022 Midsteeple Quarter awarded a construction contract for the first major phase of re-development.

North Tolsta Wind Turbine

North Tolsta (Gaelic: Tolastadh bho Thuath) is a village in the Outer Hebrides on the east side of the Isle of Lewis, some 14 miles north of the main Hebridean town of Stornoway. The village is comprised of three townships, North Tolsta itself, plus Bail' Ùr Tholastaidh (New Tolsta) to the north and Glen Tholastaidh (Glen Tolsta). The village has a population of circa 500 and is a traditional crofting village. The main economic activities are crofting, fishing and construction.

TCDL and its subsidiary Tolsta Power Ltd own and operate a 900kW Enercon E44 wind turbine. TCDL was set up in 2005; completed feasibility studies for the turbine in 2006 and achieved planning consent in July 2009. Financial close was achieved in 2012 and the turbine was commissioned in August 2013. It has been supplying power to the grid since that time and has recently passed the 10 million k/wh mark – making it one of the most productive turbines in Scotland. The land where the turbine is sited is owned by The Stornoway Trust, the democratically elected community landlord.

The capital cost of the project was £1.5million. In addition to commercial borrowing the project has been supported as follows:

- Lottery: £396,000 capital and £24,000 revenue (Growing Community Assets)
- HIE: £60,549, (delivered by CES)
- CARES: £56,805 (delivered by CES)
- Comhairle nan Eilean Siar: £50,000

TCDL has six voluntary directors and one full-time administrator. TCDL has used the profits from the turbine to support a range of jobs and community activity within the village. This has included supporting the:

- community purchase of the local shop and post office and providing revenue assistance with on-going running costs
- establishing a community polytunnel that provides a variety of fresh vegetables to the community shop
- supporting fuel poverty interventions including making annual support payments to every household in the community
- supporting a housing minor works scheme (replacing windows, doors, double-glazing, etc.) providing student bursaries and supporting young people with car driving lessons
- supporting local village organisations including the Tolsta Youth Club, children's playpark, Church summer club and Tolsta Cemetery Trust
- purchased a 17 seater minibus with disabled access for community use.
- TCDL ordered livestock feed in bulk so people could get access to feed without having to go into Stornoway
- also for the same reason a bulk order of butcher freezer packs was made and sold through the local shop at a discounted rate.
- Supermarket vouchers were also given to all households with children under 16 to help as

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there were many people on furlough at the time. Since the turbines inception every household has received £250 at the beginning of December to help with fuel / household costs. This year (2022), considering the cost-of-living crisis every household got an additional payment of £250 in June.

- **Buth Tholastaidh Community Shop**

In 2008 the village shop and Post Office was placed for sale on the open market. When no buyer came forward a community “buy-out” was organised and the facility was purchased on behalf of the community. Almost 500 individuals bought shares to help fund the purchase and it is now run as a community-owned and operated enterprise. Upon purchase a refurbishment programme was undertaken and the shop now sells a range of provisions from everyday goods through to any special produce requested by community members.

The shop (or “buth” in Gaelic) and Post Office provides an important economic and social function to the community – it is the only shop / Post Office in the area and therefore the only place where people can buy groceries or access Post Office services including monies for pensions. The shop has been described by the community as the ‘hub of the village’ and the ‘local parliament’. In addition to being a shop it is a place where people meet to chat and exchange news.

The “Buth” is now run as a separate business known as ‘Buth Tholastaidh’. It employs two people full-time and two people part-time. The purchase was supported and facilitated by TCDL, who also provide on-going revenue support to help reduce costs.

- **Polytunnel Project**

A polytunnel project has been established to grow vegetables and produce. These are retailed through Buth Tholastaidh. The polytunnel project employs a development worker.

- **Tolsta Fuel Poverty Project**

From its inception one of the main drivers for TCDL was to help alleviate fuel poverty for the people of Tolsta. This has been progressed through the issuing of gift vouchers to every household in the village. Each household receives £300 per annum – usually around Christmas time. People can use this on food and provisions, with the savings used to alleviate the cost of fuel.

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STAR-Dundee

STAR-Dundee was created in 2002 to meet growing demand for the spacecraft technology being developed at the University of Dundee. Founded by Professor Steve Parkes and several research students – who worked on its original products in their spare time – the SME currently employs 25 people, with offices in Dundee and Sant Cugat, Barcelona.

After 15 successful years in business, it was time to consider STAR-Dundee's long-term future. With support from a succession planning initiative run by Scottish Enterprise, Professor Parkes looked at various options. It soon became apparent that employee ownership was the way forward as a means of retaining and strengthening the existing culture and ensuring that the company always retained a Dundee base. It also meant that the employees who had poured their skill into the enterprise would be suitably rewarded. In 2017, STAR-Dundee was transformed from a start-up run and majority-owned by its founder, to a company in which 55% of the shares are held by an Employee Ownership Trust (EOT) on behalf of its staff. The remainder are held by Steve Parkes, the University of Dundee and the other founders.

Employee ownership is also beneficial in terms of retaining and recruiting workers. This is particularly important in a business that features many highly technical roles: 40% of STAR-Dundee's employees hold PhDs, and 90% have the training necessary for technical R&D.

STAR-Dundee's main priorities when considering its succession options were to secure and strengthen the business, both in terms of its culture and success, and also to ensure the business remained rooted in Dundee. All of these objectives have been achieved through employee ownership, as well as making sure the staff have a meaningful stake in their company and its future success

Timber Eiggxport¹⁹

Community landowners Isle of Eigg Heritage Trust manage 247ha of forest land – a mixture of commercial plantation and native woodland. Working with and approved by Scottish Forestry, the community landowners have designed a Forest Plan which includes a phased programme of harvesting over 20 years to make sustainable use of the forest. A collaborative approach with input from the community and stakeholders led to a sustainable timber transport project which is intended to avoid the need for large-scale tree felling in the future.

¹⁹ Text adapted from the Scottish Land Commission website. Read the full case study here: <https://www.landcommission.gov.scot/our-work/good-practice/community-engagement/timber-eiggxport>.

Useful Resources and Organisations

The list below provides general resources useful for developing Community Wealth Building in Scotland. You can also access lists of specific tools and resources related to each ‘pillar’.

Note: examples and service providers mentioned in this document are offered for information and illustrative purposes and do not represent a commercial endorsement.

General Resources

Resource Collections

Centre for Local Economic Strategies. *Community Wealth Building Centre of Excellence*: <https://cles.org.uk/the-community-wealth-building-centre-of-excellence/>

Community Wealth.org. *Defining Community Wealth Building*: <https://democracycollaborative.org/programs/cwb>

Democracy Collaborative. *Community Wealth Building*: <https://democracycollaborative.org/programs/cwb>

Policy in Scotland

Scottish Government. *Community Wealth Building*: <https://www.gov.scot/policies/cities-regions/community-wealth-building/>

Scottish Government. *Programme for Government 2021-2022*: <https://www.gov.scot/programme-for-government/> [p83 on CWB]

Scottish Government. *Scotland's National Strategy for Economic Transformation*: <https://www.gov.scot/publications/scotlands-national-strategy-economic-transformation/>

Scottish Centre for Regional Inclusive Growth. *Community Wealth Building Programme in Scotland*: <https://www.inclusivegrowth.scot/our-work/community-wealth-building-and-programme-for-government-2020-21/>

McInroy, N. *Economic Development and Community Wealth Building in Scotland*. Economic Development Association Scotland blog: <https://edas.org.uk/2022/02/10/economic-development-and-community-wealth-building-in-scotland-by-neil-mcinroy/>

Advice and Guides

Centre for Local Economic Strategies. *How to Build Community Wealth*: <https://cles.org.uk/community-wealth-building/how-to-build-community-wealth/>

Improvement Service (2020). *Community Wealth Building – A Briefing Note for Elected Members*: <https://www.inclusivegrowth.scot/resources/community-wealth-building/2020/09/community-wealth-building-a-briefing-note-for-elected-members/>

Scottish Land Commission. *Guidance on Community Wealth Building*: <https://www.landcommission.gov.scot/our-work/good-practice/community-wealth-building>

Good Practice and Case Studies

Scottish Land Commission: *Land, Buildings and Assets Case Studies*:

<https://www.landcommission.gov.scot/our-work/good-practice/community-wealth-building> [Scotland]

Scottish Centre for Regional Inclusive Growth: *Community Wealth Building Case Studies*:

<https://www.inclusivegrowth.scot/community-wealth-building-case-studies/> [Scotland]

Centre for Local Economic Strategies: *Community Wealth Building Case Studies*:

<https://cles.org.uk/community-wealth-building-in-practice/community-wealth-building-places/community-wealth-building-case-studies/> [Scotland, UK and international]

Community-Wealth.org: *CWB Models and Best Practice*: <https://community-wealth.org/strategies/panel/outside-us/models.html> [international]

Community-Wealth.org: *Case Studies by Organisation Type*:

<https://community-wealth.org/resourcetype/Models%20and%20Best%20Practices> [international]

PILLAR-SPECIFIC RESOURCES

Inclusive Ownership

Cooperatives and Employee-Ownership

- Cooperative Development Scotland: <https://cdsblog.co.uk/>
- Cooperatives UK: <https://www.uk.coop/>
- Scottish Enterprise Employee Ownership Support: <https://www.scottish-enterprise.com/support-for-businesses/business-development-and-advice/employee-ownership>
- Scotland for Employee Ownership: Industry Leadership Group: <https://www.linkedin.com/company/scotland-for-employee-ownership/>
- Employee Ownership in Scotland Case Studies: <https://www.youtube.com/playlist?list=PLD-6Dt7ysxqD3BcEKEmrR3wolffW895bV> [Cooperative Development Scotland via YouTube]
- Fifty-by-Fifty: Employee Ownership Resource Center: <https://www.fiftybyfifty.org/research/employee-ownership-resource-center/>

Social and Community Enterprise

- Social Enterprise Scotland: <https://socialenterprise.scot/>
- Social Enterprise Academy: <https://www.socialenterprise.academy/scot/>
- Just Enterprise: <https://justenterprise.org/>
- Community Enterprise in Scotland: <https://www.ceis.org.uk/>

Municipal Ownership

- Association for Public Service Excellence (2019): *Rebuilding Capacity: The Case for Insourcing Contracts*: <https://www.apse.org.uk/apse/index.cfm/research/current-research-programme/rebuilding-capacity-the-case-for-insourcing-contracts/>
- Institute for Government (2020) *Public Sector In-Housing*: <https://www.instituteforgovernment.org.uk/sites/default/files/publications/government-outsourcing-public-services-government-hands.pdf>
- Sillet, J. (2021). *Revisiting Municipalisation*. Local Government Information Unit (LGIU): <https://lgiu.org/publication/revisiting-municipalisation/>
- CommunityWealth.org: *Municipal Enterprise*: <https://community-wealth.org/strategies/panel/municipal/index.html>

Spending

Procurement and Supplier Development

- Sustainable Procurement Tools (Scottish Government): <https://sustainableprocurementtools.scot/>
- [Sustainable Procurement Tools](#) platform
- [Pathfinder Programme -Community Wealth Building \(scotland-excel.org.uk\)](#)
- Public Sector Procurement Support (Scottish Government): <https://www.gov.scot/policies/public-sector-procurement/support-for-public-sector/>
- Partnership for Procurement: <https://p4p.org.uk/>
- Supplier Development Programme: <https://www.sdpscotland.co.uk/>
- CLES (2020): *Restoring Public Values: The Role of Public Procurement*: <https://cles.org.uk/publications/restoring-public-values-the-role-of-public-procurement/>

Targeting Spend and Community Benefit

- Social Enterprise Finder: <https://p4p.org.uk/ready-for-business-register/>
- Employee Ownership Business Census: <https://cdsblog.co.uk/eob-census-2022>
- Cenefits: social benefits measurement system: <https://cenefits.com/>

Finance

Guidance and Examples

- SCRIG (2021). *Community Wealth Building and Finance Blog Series*: <https://www.inclusivegrowth.scot/community-wealth-building/2021/05/cwb-and-finance-part-1-providing-financial-support-for-scotlands-most-disadvantaged-communities/>
- Bentley, R. (2022). *Community Wealth Building – Making Financial Power Work for Local Places*. Responsible Finance. <https://responsiblefinance.org.uk/2022/01/cles-community-wealth-building-making-financial-power-work-for-local-places/>
- The Smith Institute et al (2012). *Local Authority Pension Funds – Investing for Growth*. <https://cles.org.uk/publications/local-authority-pension-funds-investing-for-growth/>
- Community-Wealth.org. *Case Studies: State and Local Investments*. <https://community-wealth.org/strategies/panel/state-local/models.html>

Service Providers

- Social Investment Scotland. <https://www.socialinvestmentscotland.com/>
- Scottish National Investment Bank. <https://www.thebank.scot/>
- DSL Business Finance. <https://dsl-businessfinance.co.uk/>
- Scottish Communities Finance. <https://scotcomfinance.scot/>
- Foundation Scotland. <https://www.foundationscotland.org.uk/>
- FirstPort. <https://www.firstport.org.uk/>

Workforce

- Fair Work Convention: *The Fair Work Framework*. <https://www.fairworkconvention.scot/the-fair-work-framework/fairworktool.scot> for guidance on how to develop your own fair work charter
- Scottish Government. *Fair Work First guidance for employers and public sector partners*: <https://www.gov.scot/publications/fair-work-first-guidance-support-implementation/>
- Scottish Government. *Fair Work Tool for employers*. <http://www.fairworktool.scot/>
- Scottish Government. *Scottish Business Pledge*. <https://scottishbusinesspledge.scot/>
- Poverty Alliance. *Scottish Living Wage Accreditation*. <https://scottishlivingwage.org/>
- Living Wage Places Toolkit. <https://www.livingwage.org.uk/living-wage-places-toolkit>
- CLES. *Case Studies of Progressive Recruitment Strategies*: <https://cles.org.uk/blog/nhs-supporting-those-furthest-from-the-labour-market/>.

Land and Property

- Scottish Land Commission – Guidance on Community Wealth Building.
<https://www.landcommission.gov.scot/our-work/good-practice/community-wealth-building>

Asset Transfer

- COSS – Community Asset Transfer Guide and Resources.
<https://dtascommunityownership.org.uk/community/community-asset-transfer>
- COSS – Asset Transfer Guidance for Relevant Authorities
[https://dtascommunityownership.org.uk/sites/default/files/Asset Transfer RA Guidance Notes.pdf](https://dtascommunityownership.org.uk/sites/default/files/Asset%20Transfer%20RA%20Guidance%20Notes.pdf)
- Scottish Government – Asset Transfer: Summary Guide.
<https://www.gov.scot/publications/asset-transfer-summary-guide/>
- Scottish Enterprise Asset Register.
<https://www.inclusivegrowth.scot/resources/data-and-analysis/2018/06/scotlands-economic-asset-register/>

Land Management

- Common Wealth (2021). A New Model: Public-Common Partnerships.
<https://www.common-wealth.co.uk/interactive-digital-projects/a-new-model>
- Scottish Land Commission. Vacant and Derelict Land Toolkit and Case Studies.
<https://www.landcommission.gov.scot/our-work/housing-development/vacant-and-derelict-land-taskforce>
- Community Land Scotland (see resources page):
<https://www.communitylandscotland.org.uk/>

Place-Based Approaches

- Scottish Government: Place Principle.
<https://www.gov.scot/publications/place-principle-introduction/>
- Scottish Government: Our Place. <https://www.ourplace.scot/>
- PAS – Guide to Community-Led Plans.
<https://www.pas.org.uk/what-we-do/community-led-plans/>
- Place Standard: <https://www.placestandard.scot/>
- Town Toolkit: <https://towntoolkit.scot/>

- Understanding Scottish Places. <https://www.usp.scot/>

Appendix: Scottish and International Case Studies

There are numerous examples of the positive impact Community Wealth Building is having in communities around the world. Within this section you can read a cross-section of current practice in Scotland and internationally, and find links to further case studies.

Current Practice in Scotland

To date Scottish Government has assisted 5 'pilot areas'. These areas were chosen to test the CWB model within a Scottish context, provide geographic spread and assess how CWB could be developed in relation to a city regional footprint. The areas chosen for support were Glasgow City Region (GCR), Clackmannanshire Council, Tay Cities/Fife Council, South of Scotland (SoS) and Western Isles Council (CNES).

All areas were supported by CLES to produce a CWB action plan covering some or all of the 5 pillars of CWB. All areas considered governance for action and how internal structures could grow and develop the agenda. Some areas have set up specific Community Wealth Building Commissions, while others are using existing governance structures.

The action plans have been put into practice are live, and ongoing work has been progressing.

North Ayrshire

North Ayrshire Council is a pioneer in the early adoption of Community Wealth Building in Scotland²⁰.

In March 2020 the council launched a comprehensive Community Wealth Building strategy²¹, becoming Scotland's first Community Wealth Building Council. This put CWB at the heart of its corporate and economic strategy for the region.

North Ayrshire's Community Wealth Building programme includes 55 actions across the five pillars, as well as a sixth pillar concerning the transition to net zero. The strategy is backed by an £8.8 million investment fund and is supported by input from an appointed Community Wealth Building Expert Panel.

In the council's first year report on its Community Wealth Building plan encouraging progress was found across each action area²². This included **the growth of local and inclusive enterprises** and the **approval of municipal renewable energy projects**.

The wider Ayrshire Regional CWB project, supported by £3m in SG funding as part of the Ayrshire

²⁰ Read more about North Ayrshire's Community Wealth Building approach here:

<https://www.north-ayrshire.gov.uk/council/community-wealth-building/community-wealth-building.aspx>

²¹ <https://www.north-ayrshire.gov.uk/Documents/nac-cwb-strategy-brochure.pdf>.

²² <https://www.north-ayrshire.gov.uk/Documents/cwb-annual-report-2021.pdf>

APPENDIX: SCOTTISH CASE STUDIES

Growth Deal, saw both South and East Ayrshire join the Community Wealth Building Commission – Scottish Enterprise, the region’s NHS health board, college, police and fire services, and Third Sector Interface are all represented.

Several of these organisations also signed an Ayrshire Community Wealth Building Anchor Charter in October 2020. Signed during Challenge Poverty Week, each organisation pledged to use actions across the five pillars “to improve collective wellbeing and create a strong, resilient and inclusive local and regional economy”²³.

This funding, and collaboration between anchor organisations, is helping to deliver a **Community Wealth Building Fund**, the deployment of **Community Wealth Building Business Locality Officers**, and a dedicated **Ayrshire ‘Fair Work’ resource**.

Clackmannanshire

Clackmannanshire is one of the five pilot areas supported by Scottish Government to implement a Community Wealth Building strategy. An action plan was developed by Clackmannanshire Council with the help of CLES and published in December 2020²⁴. This contains 21 recommendations across the five pillars. CWB also connects to the council’s Be The Future programme of transformation, and is woven into wider interventions such as:

- A wellbeing economy project and Local Outcome Improvement Plan (LOIP).
- Place-based transformation zones, beginning with priority sites in Alloa.
- A regional Wellbeing Hub.
- Investment in the council’s learning estate.
- Use of vacant and derelict land assets to benefit residents and communities.

Clackmannanshire Council has been particularly active in the ‘workforce’ pillar and has adopted actions across the Fair Work Framework. In November 2021 the local authority announced it would become a Living Wage employer, joining a number of other local institutions. It also runs a Fair Work Incentive which encourages recruitment of those furthest from the labour market.

Glasgow City Region

Glasgow City Region produced an action plan focusing on 2 pillars. – The spending pillar, pursuing sustainable procurement within the construction sector aiming to develop benefits for Scottish firms with a securer pipeline for apprenticeships and more local jobs. The Land Pillar, producing an action plan, focussing on the use of vacant and derelict land within GCR, looking to extend the use of VDL bringing it into wider social, cultural, and environmental use. They have advanced both areas, and now GCR are looking to develop actions across all 5 pillars.

Glasgow City Region, made up of eight local authorities, has undertaken to develop actions across all Community Wealth Building pillars as part of its Regional Economic Strategy²⁵, published December 2021. With the support of CLES and Scottish Government, strategic plans have already been developed in the pillars of **spending** (progressive procurement) and **land and property** (vacant and derelict land).

²³ <https://www.north-ayrshire.gov.uk/Documents/cwb-anchor-charter.pdf>

²⁴ CLES (2020), *Community Wealth Building in Clackmannanshire*: <https://www.clacks.gov.uk/document/6408.pdf>

²⁵ Glasgow City Region, *Glasgow City Region Economic Strategy*: <https://glasgowcityregion.co.uk/wp-content/uploads/2021/12/GCR-EconomicStrategy-Final.pdf>

Actions which regional partners are already taking to promote Community Wealth Building include:

- Creating a **Community Wealth Building Digital Lab** to examine how digital SMEs can compete with 'big tech' and venture capital-funded start-ups. This will bring together University of Glasgow academics, tech experts and local communities.
- A **regional approach to vacant and derelict land**, bringing this into socially-productive use which benefits local communities.
- The development of a **Regional Sustainable Procurement Strategy** to increase local spending multipliers and retain more of the already 50% of regional spend which remains in the region.
- Moves to create a **consistent community benefits reporting system** across all member authorities for City Deal contracts, and in some cases for non-City Deal contracts.
- The **Clyde Climate Forest initiative**, planting 18 million trees and increasing canopy cover in urban and rural areas of the region by 2030.

Glasgow City Region is now focused on developing Community Wealth Building plans across the other three pillars, building on what anchor organisations are doing already and ensuring CWB actions are at the heart of the wider regional economic strategy.

Within GCR the council areas are looking at their own CWB strategies and action plans for example South Lanarkshire Council and Glasgow Council, are progressing aspects pertaining to all five Pillars of CWB.

South of Scotland

Community Wealth Building forms a part of South of Scotland Enterprise's strategy for a Wellbeing Economy in the region²⁶. In February 2022 a Natural Capital team was created which included a dedicated Strategy Manager for Community Wealth Building.

The pilot focused on testing how CWB could relate to an enterprise agency and how CWB could be woven into wider regional strategy. This was alongside a focus on the spending pillar in relation to housing and the 6 Registered Social Landlords within the South of Scotland. With a specific focus on looking to use spending to develop local businesses and innovation within the supply chains and support green retrofitting of Housing stock and wider greening of the SoSE economy. Work on this has served to shift procurement practice and grow the role of Housing as anchor institutions and recognised economic agents for change has grown accordingly. SOSE have incorporated CWB across its Regional economic strategy, affecting their own operations across the five pillars of CWB. SOSE plan to publish 'A road map to decarbonisation: Retrofit of social housing stock in the South of Scotland' in December 2022.

²⁶ South of Scotland Enterprise, Operating Plan 2021-2022: https://www.southofscotlandenterprise.com/media/1254/sose_operatingplan21_2-002.pdf

Fife/Tay Cities

The Tay Cities Deal brings together anchor organisations and local authorities in Angus, Dundee, Fife and Perth & Kinross. Each of these councils, and many other organisations, are already pursuing actions related to Community Wealth Building, and are working to incorporate these into the overall economic strategy for the region.

Fife Council has been a regional pioneer in adoption of Community Wealth Building. This includes working closely with CLES, which published a recommended a 20-point action plan in January 2021²⁷. CWB is now at the heart of Fife Partnership's plan for economic recovery, tackling poverty and addressing the climate emergency²⁸. Core priorities include to:

- Establish leadership arrangements for taking forward community wealth building.
- Redesign systems and processes to deliver wider social benefit through procurement, recruitment, fair employment and the use of land and assets.
- Expand support for community ownership, social enterprise and community owned businesses through a new business support hub.
- Further develop the role of credit unions and the community development finance initiative (CDFI) to support financial resilience and wellbeing.

Other Tay Cities local authorities have also been active on particular Community Wealth Building pillars. For example, see information about Perth & Kinross Council's 'wish list' community benefits system and Dundee's 'Living Wage City' initiative in the pillar sections above.

Western Isles

Comhairle nan Eilean Siar (Western Isles Council) is committed to Community Wealth Building as part of its wider vision "to have socially and economically thriving communities with a focus on sustaining our quality of life, natural heritage, and Gaelic language and culture". This commitment includes working with CLES, which in March 2021 published an action plan with 21 recommendations for Community Wealth Building in the Outer Hebrides²⁹. The council is continuing to develop its final approach and incorporate many of the report's suggestions.

Many of the principles and practices underpinning Community Wealth Building are already embedded in the Western Isles. These include widespread community ownership of land and assets and locally-owned renewable energy regeneration.

There are many examples of the benefits that local ownership of land, buildings and revenue-generating assets like wind power have brought to residents and communities in the Western Isles. For example **North Tolsta** (Tolastadh bho Thuath), a settlement on the Isle of Lewis, has benefitted from the development of a community-owned wind turbine (Tolsta Power Ltd) whose

²⁷ CLES (2021), Community wealth building in Fife: <https://www.inclusivegrowth.scot/wp-content/uploads/2021/07/Community-Wealth-Building-in-Fife-Final-report-%E2%80%93-January-2021.pdf>

²⁸ Fife Council (2021). Recovery and Renewal Plan4Fife 2021–2024 Update: https://www.fife.gov.uk/_data/assets/pdf_file/0024/340656/Recovery-and-Renewal-Plan-for-Fife-2021-24.pdf

²⁹ CLES (2021). *Community Wealth Building in the Outer Hebrides*: <https://www.cne-siar.gov.uk/media/17452/S%2019B%20-%20Appendix%20-%20Community%20Wealth%20Building%20in%20the%20Outer%20Hebrides%20Action%20Plan.pdf>

profits are gifted to Tolsta Community Development Ltd (TCDL). Funded programmes include a polytunnel whose produce is retailed in the local community shop (also owned by TCDL), a community bus, and grants for general social benefit, minor housing works, student bursaries, and car driving lessons.

Another community-owned wind farm, **Point and Sandwick Trust**, was found to have directly spent £2,389,000 between 2015 and 2020 – almost all of which was invested in the local area or island economy – creating 57 jobs and acting as an enabler for additional economic activities³⁰.

International Case Studies

Cleveland, United States³¹

Perhaps the best-known and ‘original’ example of Community Wealth Building is Cleveland, Ohio. Once one of the five richest cities in the United States, decades of post-industrial decline saw its population reduce from almost 1 million to under 400,000. Compounding this decline was that the city’s major institutions did not sufficiently procure from and spend on the city itself, leading to a further draining of wealth and jobs elsewhere.

In response, in around 2008 the city government launched a strategy to retain community wealth, partnering with local public and non-profit institutions. The principal feature of this approach was to localise and retain the spending of local public, commercial and third-sector ‘anchors’ through the development of new local cooperatively-owned businesses. These innovative worker-owned enterprises – the Evergreen Cooperatives – grew to include large-scale sustainable laundry services, a large urban greenhouse and an energy production company. In 2018 the Evergreen Initiative launched a fund to strategically acquire more local firms and convert them to employee-ownership, particularly in the services and manufacturing sectors.

A key feature of Cleveland’s model is that wealth re-circulates in the city, as anchor institutions procure services from the cooperatives, which employ local workers and help tackle urban inequalities. The job creation and local investment that takes place then creates a multiplier

³⁰ Impact Hub Inverness (2020). *Social Impact Report: A Report to Point and Sandwick Trust*: <http://www.pointand-sandwick.co.uk/wp-content/uploads/2021/05/PST-Social-Impact-Report-2020-1.pdf>

³¹ This case study is partially adapted from an address entitled ‘Community Wealth Building: What Next?’ by Ted Howard, Co-founder and President of the Democracy Collaborative.

effect of social and economic benefit for communities and the wider city.

Chicago, United States

Chicago is the third-largest city in the United States. Marked by its post-industrial heritage and diverse population, the city has a rich network of anchor institutions and organisations already working to support local economic ownership and job-generation, access to finance, and local procurement and investment.

Recently, directed by the new City Mayor, Community Wealth Building has seen a step change in Chicago³². In July 2021 the Democracy Collaborative announced it would be working with the city's Office of Equity and Racial Justice to explore initiatives which could promote community ownership and community control. According to the Chicago Mayor Lori Lightfoot, this is aimed at addressing the city's racial wealth gap and systemic inequities, by "creating a new economic model that uplifts everyone"³³. This work has been reinforced by \$15 million for the development of community wealth building pilots. Concrete actions are now being developed for implementation.

Sydney, Australia

In July 2020 the City of Sydney authority passed a motion³⁴ to begin developing a Community Wealth Building policy for the city, which could possibly include the following:

- Make the City of Sydney an 'anchor institution' for building and retaining wealth in the area.
- Build a network of anchor institutions to increase local and socially responsible procurement.
- Investigate creative land trust models and how they might be applied.
- Investigate embedding the principles of Community Wealth Building into the City's Sustainable Sydney 2050 plan.

Following this, a consultation was opened which invited residents to give their ideas to help shape the development of the strategy³⁵. The accompanying discussion paper makes clear that while there is much that local anchors and communities are already doing which contributes to retaining and multiplying local wealth, Community Wealth Building offers the opportunity to thread these actions together into a coherent strategy and to go further on each of the five main pillars.

³² Democracy Collaborative (2021). *Chicago Mayor Makes Historic Community Wealth Building Commitment*. <https://democracycollaborative.org/press/chicago-mayor-makes-historic-community-wealth-building-commitment?rq=chicago%20mayor>

³³ Democracy Collaborative (2021). *Chicago Shifts Focus to Community Wealth Building*. <https://democracycollaborative.org/press/chicago-shifts-focus-to-community-wealth-building?rq=chicago>

³⁴ City of Sydney (2020). Decision Details: Community Wealth Building.

<https://meetings.cityofsydney.nsw.gov.au/ieDecisionDetails.aspx?AllId=9625>

³⁵ City of Sydney. Your Say on Developing A Community Wealth Building Policy:

<https://www.cityofsydney.nsw.gov.au/vision-setting/your-say-developing-community-wealth-building-policy>

APPENDIX:

Action plan report Framework

This outlines the key outline headings for any CWB action plan. Each Action Plan would be bespoke to place. However, there are key generic headings and details you may wish to consider and cover.

- **Introduction and context.**
 - The work undertaken, method deployed and key aims for CWB.
- **CWB in XXX**
 - A discussion of overarching challenges and opportunities with key recommendations as regards:
 - Governance for CWB, including role of Community Planning Partnership and/or Anchor network
 - Key internal working groups/Staffing to take CWB forward,
- **Spending**
 - Context, including policy
 - Current spending patterns across council and other partners
 - What is done well and what is not done so well
 - Key recommendations in taking spending forward, as regards shift to commissioning and procurement, and using procurement to shape markets for CWB,
- **Workforce**
 - Current labour market strengths and weaknesses
 - What Council and other partners are doing
 - Key Recommendations, especially in deepening and advancing Fair work
- **Finance**
 - Context as regards scale of financial hardship and access to enterprise and personal finance
 - What the council and partners are doing
 - What more could be done with key recommendations as regards improving local financial ecosystem.
- **Land and Property**
 - Context as regards extent of vacant and derelict land, land and property speculation, physical asset ownership
 - What council and partners are doing
 - Recommendations including shifting asset and land use toward inclusive and local wealth generating purposes.

- **Inclusive ownership**
 - Context as regards scale of inclusive ownership and strength of support ecosystem
 - What council and partners are doing
 - Recommendations as regards strengthening range and scale of inclusive ownership.
- **Action plan**
 - Detailing key actions with timeframes

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