

Community Land Leadership Group

Tuesday 20th June 2023, 2pm, Online

Summary Note of Meeting

Present: Lorne MacLeod (Land Commissioner), Hamish Trench (Scottish Land Commission), Gemma Campbell (Scottish Land Commission), Ailsa Raeburn (Community Land Scotland), Linda Gillespie (COSS, DTAS), Kirsten Logue (South of Scotland Enterprise), Katie Alexander (Crown Estate Scotland), Sandra Holmes (Highlands and Highlands Enterprise), Rebekah Dundas, (National Lottery Community Fund), Faye Macleod (Campbell Stewart MacLennan Chartered Accountants), Peter Peacock (community land advisor), Calum Macleod (sustainable development consultant).

Alasdair Reid (observer, Scottish Parliament Information Centre).

Apologies were received from Dave Thomson (Scottish Government).

1. Discussion on large-scale land acquisition

The group discussed current and recent experience, particularly focusing on the challenges and barriers before moving on to opportunities to address these.

1.1 Challenges and barriers

The group was asked about potential challenges and barriers to ownership, and the appetite of communities for land acquisition. Observations and views from group members included:

- Community groups are still interested in acquisitions but are struggling with capacity.
- HIE and the Scottish Land Fund receive calls often from community groups interested in buyouts.
- The fast pace of the land market and the bubble of high prices may be putting off communities who can't realistically keep pace with the speed of land

transactions. The purchase of Tayvallich Estate was given as an example of the pace of the market. The SLC report suggests that high prices are here to stay for at least the next few years.

- Austerity is a strain on communities who are struggling to maintain owned assets due to high energy costs and lower footfall.
- A lack of income following acquisitions can be a problem for the long term viability of community projects. However, members noted that maturing projects have shown good returns over time that dwarf the initial capital upfront cost of land, despite that initial cost often proving to be a difficulty.
- The trends show low purchases when grant funding is not available from the Land Fund. It was suggested that only when cash is available and understood to be available will acquisitions happen suggesting the appetite for ownership is suppressed, but it is still there.

1.2 Finance and governance

The group discussed different options for finance and governance related to community acquisitions. Members suggested that hybrid governance options could help communities respond to higher land prices, bringing communities together with charities, public bodies, or other organisations.

The recently announced Crown Estate Scotland-led land accelerator pilot was discussed, which aims to explore ways CES could buy land where communities can't, with the aim of selling on to communities within an agreed timeframe. Members agreed the process needs to be robust, but also flexible enough to keep pace with the land market.

Members also discussed different aspects of the Scottish Land Fund. Some members felt that the £1million funding cap could be increased and feel that the cap may discourage consideration of large applications. It was also noted that more than £1m has been granted previously in exceptional circumstances. Members also identified that partnership organisations are currently not permitted to apply to the Land Fund, even in models where the community is in control, presenting a potential barrier for the use of different governance models.

Different finance options to complement the Scottish Land Fund were discussed, and SLC's paper <u>Community Ownership Financing</u>: <u>Options to Complement the Scottish</u> <u>Land Fund</u> was shared and referenced. In particular, charitable and philanthropic funding options were discussed as well as the potential for private finance through the Scottish National Investment Bank, despite previous challenges.

1.3 Opportunities

Members discussed several options to help address identified challenges. These included:

- Scottish Land Fund: Members agreed that the fund is a crucial mechanism, and some members suggested that the Land Fund is fit for purpose for the majority of projects, but may be less suited to the complexity of large scale acquisition which tends to be an exception.
- 2. Land market: Members suggested that the Commission's published policy advice on natural capital and other work makes a strong case for interventions in the land market and other areas.
- 3. Right to Buy Legislation: It was suggested that community right to buy could be re-configured to include communities of interest. The right to buy to further sustainable development was also discussed, in particular its potential to allow a partnership approach by allowing a third party to take title to the land, and whether this could be extended to wider CRTB.
- 4. **Charities Reform:** Members suggested that some landowning charitable estates lack openness and transparency, and that the future Charities Bill could be a way to open up democratisation of the governance of those charities.
- 5. **Governance:** It was suggested that partnerships that ensure real local community involvement are needed, rather than land decisions being made primarily by distant actors.

2. Information sharing

Members shared information on relevant ongoing work for information.

3. Focus of next meeting

It was agreed that community capacity and support should be a focus of the next meeting, together with an initial discussion on Community Asset Transfer and Community Rights to Buy.