



Scottish Land Commission
Coimisean Fearainn na h-Alba

Community benefits from natural capital investment



Route Map

GOOD PRACTICE

April 2025

Contents

Introduction	3
Scottish Government Principles for Responsible Investment in Natural Capital	4
General principles	5
How to use the Route Map	6
Route Map	7
Route Map details	8
Definitions	16
Appendices	17
Identifying community benefits	17
Examples of community benefits	19
Case studies	21
Agreeing community benefits	26
Memorandum of Understanding guidance	29
Community Benefit Agreement guidance	31

Acknowledgements

We would like to thank all individuals and organisation who have helped with the development of this Route Map, especially members of the Community Benefit Advisory Group, project staff, land managers, land owners and community representatives from the five pilot projects in Scotland and one in England, and Amanda Bryan (Aigas Associates) who was contracted by SLC to lead on this work. We also want to thank Deciding Matters and the Nature Finance Certification Alliance (NFCA), who led this project funded by the Facility for Investment Ready Nature in Scotland (FIRNS) which facilitated the development of this route map.

This project is supported by NatureScot in collaboration with The Scottish Government and in partnership with The National Lottery Heritage Fund.





Image credit: Nattergal/Jonathan Perugia

Introduction

Delivery of community benefits, while voluntary, is an expected outcome of land-based natural capital investment projects. This Route Map has been created as a guide for how to discuss and embed proportionate community benefits in natural capital projects, ideally from the outset.

The Route Map is intended to be used by those developing natural capital projects, typically landowners and project developers. We hope it will also act as a useful guide for communities to support them to play an active part in such projects. Through following the Route Map those involved with developing natural capital projects should also be able to meet the requirements of the Nature Finance Certification Alliance **Community Inclusion Standard**.

Delivery of community benefits from investment in natural capital projects can benefit all parties and help to ensure the longevity of nature restoration and climate mitigation projects by strengthening the social license to operate. A fair sharing of benefits from natural capital investment supports Community Wealth Building and is expected by Scottish Government as set out in the **Scottish Natural Capital Market Framework**.

The Scottish Land Commission's guidance on **Delivering Community Benefits from Land** and **accompanying FAQs** define community benefits as "the intentional social and economic benefits from land that are offered to the local community on a negotiated basis for their lasting well-being". This is the definition used in the Natural Capital Market Framework.

This **Route Map** aims to set out a process that all parties can follow to agree the community benefits to be delivered from investment in natural capital.



Scottish Government
Riaghaltas na h-Alba

Scottish Government Principles for Responsible Investment in Natural Capital



The Scottish Government's **Natural Capital Market Framework** sets out six principles for the development of values-led, high-integrity investment in natural capital including:

“Investment and management decisions should:

- **create benefits that are shared between public, private and community interests;**
- **provide benefits for local communities;**
- **support community wealth building by reinvesting value in local economies to their long-term benefit.”**

The Framework notes that community benefits should be delivered in a way that is proportionate to the scale and impact of the landholding or activity, but without compromising the practical or commercial viability of the landholding or activity.



Image credit: Dumyat – Future Forest Company

General principles

The provision of community benefits should be considered by the project developer or landowner as early as possible, ideally when the initial idea for a project emerges. However, it can and should also be considered for established projects at any project stage. Community benefits should be identified together with the community through engagement, then agreed, refined, planned, monitored and reviewed throughout the lifetime of the project.



Genuine community benefits require good community engagement and time and skills to build relationships and understanding across all parties. **(Resources).** Engagement for community benefits will be in addition to any normal planning or regulatory requirement for engagement or consultation but can – and should – be integrated into these processes to make engagement as efficient as possible and avoid consultation fatigue.



It is important to recognise that communities will have differing capacity to engage and differing levels of knowledge about natural capital projects. Some communities will need more support than others to engage meaningfully. This will need to be taken into consideration when identifying and delivering community benefits.



Community benefits delivered should be proportionate to the scale and impact of the landholding or activity, and shouldn't compromise the practical or commercial viability of the landholding or activity.



Community needs, aspirations, and understanding of community benefits may change over time, and so agreements should have an in-built review process.



Good record-keeping throughout is highly recommended. If you intend to apply for accreditation under the Community Inclusion Standard, it is essential that you keep good records in line with the requirements for the standard.





Image credit: Ashley Coombes,
courtesy Trees for Life and Dumyat
– Future Forest Company

How to use the Route Map

If your project is just an idea or at a very early stage, then you can follow the Route Map broadly in parallel with how your project develops. Sometimes it may be necessary to go back and review a previous step of the Route Map before progressing and you may even need to do this multiple times.

If you are already at a more advanced stage in your project, you should still work through the whole Route Map and make sure that you carry out all of the steps, and that you have appropriate records of what you have done.

The time you spend on each of the five stages of the Route Map varies. However, stages two and three are likely to require the most intense input from all parties, including the community. The overall time it takes should be proportionate to the project. For large and very large projects the first three steps may take between one and three years, step four may take as little as a couple of months or as long as a few years, with the last phase potentially stretching over a few decades. As far as you are able, it is important to outline the expected timeframe to all parties involved.

The route map stages follow a standard project management process

Project Management

- Initial idea
- Scoping proposal
- Detailed planning
- Pre-implementation
- Implementation
- Management and monitoring



Route Map

- Carry out background research
- Engage with the community
- Develop a written agreement
- Deliver early benefits and continue engagement
- Measure, monitor and report

Community Benefits Route Map

Click the » icon to learn more about each step in the process.

1



Carry out background research

- ✓ Carry out background research to identify who the local community/ies is/are
- ✓ Understand their plans, needs and ambitions
- ✓ Begin to think about the kinds of community benefits your project might be able to provide that match what the community wants.



2



Engage with the community

- ✓ Engage directly and widely with the community
- ✓ Discuss potential impacts of your project
- ✓ Refine understanding of community needs and aspirations
- ✓ Develop a shared understanding of the benefits that your project can realistically deliver.



3



Develop a written agreement

- ✓ Develop a written agreement on community benefits, which includes how the baseline will be identified, a process for monitoring and regular reviews.



4



Deliver early benefits and continue engagement

- ✓ Deliver early community benefits
- ✓ Communicate and meet with the community as required.



5



Measure, monitor and report

- ✓ Measure, monitor and report delivery of community benefits
- ✓ Regular community meetings
- ✓ Schedule reviews of written documents.



Route Map details

1



Carry out background research

Carry out background research to identify who the local community/ies is/are and understand their plans, needs and ambitions. Begin to think about the kinds of community benefits your project might be able to reasonably provide that could match what the community wants.

- 1.1. Identify the local community or communities. What are the geographic boundaries? Who lives in the area and who are key contacts that may be able to help? Is there a community council, development trust or other constituted groups you can work with? Are there any existing relationships between project partners and the community that you need to be aware of (positive or negative)?
- 1.2. Once you have identified the community, consider how your project could impact them (positively or negatively) and what you can find out about their needs and aspirations. Does a development plan or a Local Place Plan exist? **(Resources)** What might be the cultural and social views about the land being used for the project? Are there key people you can speak to (confidentially if necessary) to find out more? Communities possess valuable local knowledge, e.g., on drainage, land use history, and local water supplies. It is of high mutual interest to find out about and consider these before you develop plans.
- 1.3. Consider who from your project team would be best placed to lead your community engagement. Ideally this person would be skilled in engagement and have decision-making powers.

It is helpful to do some background research before engaging with the wider community so you are not asking them to repeat what they have already said and established in other contexts, e.g., in a Local Place Plan. Communities can feel over-consulted, and it is important to respect their time and energy. However, once your project moves into the next phase you will need to actively and directly engage with the community.



- 1.4. Include agreed and potential project partners in early considerations around identifying the community and potential community benefits, if necessary, on a confidential basis.
- 1.5. At this point, all parties should be open to considering a wide range of delivery models. If you are looking to purchase land for your project, consider whether alternative forms of ownership and tenure could deliver your project aims equally well or better and align with community needs and aspirations. For example, investing in community owned land, joint ventures, leasing or other forms of collaborative working.
- 1.6. Discuss within the project team the kinds of community benefits that align with your purpose and are realistic and proportionate for you to deliver considering the nature of your project, financial model and the context of the landholding. **(Identifying community benefits)** Think creatively about possibilities here and remain open-minded when you start engaging with the community **(Case studies)**.



2



Engage with the community

Engage directly and widely with the community. Discuss potential impacts of your project, refine understanding of community needs and aspirations, and develop a shared understanding of the benefits that your project can realistically deliver.

This Route Map covers only those aspects of community engagement that are directly linked to community benefits. Further engagement is required in decision-making about land and land use change. We recommend that you use this Route Map together with specific community engagement guidance, such as the Scottish Land Commission's **Good Practice Route Map for Community Engagement** in Decisions Relating to Land and other sector specific guidance (e.g., for forestry and woodlands) (Resources). If you will be seeking recognition under the Community Inclusion Standard, then you should draw on the Deciding Matters Community Inclusion for Community Benefit Guide.



- 2.1. Community organisations will be well placed to advise you on how best to engage with the wider community. They may also be able to advise you on other engagement activities happening that you may be able to take part in, learn from, or support. Where relationships between project team members and the community already exist, consider how to build on and strengthen these. A range of resources on how to carry out community engagement are available which should be used. **(Resources on engagement).**



- 2.2. Provide the community with accessible contact details for the person you have chosen to lead community engagement. It would be good practice to also share wider information about who else is involved in making decisions about the project, who else might benefit from the project, such as investors and owners, and how they are expected to benefit.
- 2.3. When engaging with the community, you should check and develop your understanding from the background research. Include questions about:
 - 2.3.1. Who the local community includes, particularly those who will be impacted by the project;
 - 2.3.2. How the community wants to be communicated and engaged with in the future;
 - 2.3.3. What impacts (positive and negative) the community perceives the project may have and how you might address these; and
 - 2.3.4. What ways the community could imagine benefitting from the project (it will help to provide your ideas developed in 1.6 above).
- 2.4. Together you should be able to develop a good understanding of how to mitigate any negative impacts from the project and what kind of community benefits would be proportionate to the project as well as meeting community needs. Community engagement should continue through the development of the project.

The more transparent you can be about your project, the easier it will be for the community to understand what potential benefits they can reasonably expect. If you can openly share information on project objectives, finances, risks and delivery timescales, you should be able to explain what kind of benefits would be proportionate and deliverable. These may include community participation in the project (e.g., partnership, collaboration, or shared governance). Depending on the significance of the agreed community benefits, this phase may need multiple and complex meetings. These types of projects can take anything from 3 months to 1 year, or more, to develop and may need several iterations. Consider how the community can best be supported with their capacity to effectively engage.



3



Develop a written agreement

Develop a written agreement on community benefits, which includes how the baseline will be identified, a process for monitoring, and regular reviews.

- 3.1. As you develop the project plan, you should work with project partners and the community to identify and agree proportionate community benefits that are tailored to the community's needs (**Identifying community benefits**). The actual defining of benefits should come from the community and this requires the community to have a good basic understanding of the proposed project and the potential scale and scope of community benefits that could be delivered. They should understand why these are proportionate and should put forward their needs and ideas, including ideas about their participation in the project. The community may need professional or financial support to enable them to participate equally in the discussions and in the following stages.
- 3.2. Once you have decided to go ahead with the project, you should develop a written agreement about the arrangements for ongoing engagement, plans to mitigate negative impacts, and the community benefits that will be delivered. This could be a Memorandum of Understanding, a Community Benefit Agreement or a Sale/Lease Agreement (**Agreeing community benefits**). Any agreement made should be with an appropriate community organisation who will be acting on behalf of the wider community.





Written agreements are always best practice. There may be some circumstances under which a written agreement may not be achievable and/or appropriate, such as if there is no suitable community organisation to hold an agreement with. This should not prevent benefits from being provided to the community/ies. In these circumstances, the Route Map remains valid, and a clear record should be kept of how and why the decision was reached to not have a written agreement. You should still publish your plan for community benefits and regularly review this through engagement with the community.



- 3.3. As part of the agreement, the signatories should agree how the delivery of community benefits is measured and by whom. They should also agree what baseline will be used to measure progress, whether any work is needed to establish this baseline, who will pay for it, and who will carry it out.
- 3.4. Any agreement should include a timescale for regular reviews. The reviews should track progress against what was agreed and consider whether the agreed benefits need updating. Community needs and aspirations may have changed, as well as the project, which may change the types or amounts of benefits that can be reasonably and proportionately delivered.

4



Deliver early benefits and continue engagement

Deliver early community benefits. Communicate and meet with the community as required.

- 4.1. Once you start to deliver the project, communicate about and mitigate any negative impacts as agreed. This may include temporary impacts on access, increased traffic, noise, dirt etc.
- 4.2. Start delivering the agreed community benefits appropriate for this project delivery phase, for example, the use of local contractors and/or suppliers and/or volunteering opportunities. Early community benefits may also include transfer of land and/or assets to the community, employing local staff, or benefits which are best delivered while groundworks take place, such as access improvements or making firewood available.
- 4.3. It is likely that an increased level of communication between all parties and regular check-ins with the community will be required during this phase.



Image credit: Nattergal/Jonathan Perugia

5



Measure, monitor and report

Measure, monitor and report delivery of community benefits. Continue your agreed engagement with the community and undertake the scheduled reviews of written agreements.

- 5.1. Once the project reaches its maintenance phase, e.g., when the trees are planted or the peatland or river restoration work is completed, you should continue to deliver agreed benefits and have regular community engagement. You should monitor and report on the delivery of community benefits and review any formal agreement/s in accordance with your plan.

Openness and transparency during this phase will help to build a mutually beneficial relationship between the parties. All parties should be open to exploring new opportunities and tackling issues together. However, everyone must open about and aware of existing limits to time and capacity.



Ongoing community engagement could include site visits with community interest groups and updates at community council or other community meetings. Community engagement may develop into collaboration or shared governance, e.g., community representation on a management board or advisory board for the natural capital project or landholding. Regular volunteering may become established, which might include the monitoring of socio-economic or ecological impacts and the delivery of benefits.

This final phase of natural capital projects can last for many decades, which means that relationships have time to grow and deepen. At the same time, partners, personalities and contexts can change, which is why regular reviews of relationships and updating of agreements is important.

Definitions

Natural capital refers to natural assets which include geology, soil, air, water, plants and animals. We derive many benefits from these assets and the systems they form part of including food, timber, flood resilience and energy.

Natural capital investment refers to money and time spent making improvements to natural assets and the benefits they provide, such as clean water. This could involve investment in activities such as woodland creation, peatland restoration, improving river catchments and some aspects of rewilding. These funds could come from the public sector, values driven investors (those seeking social and environmental benefit as well as financial benefit), philanthropists and charitable donations, carbon off-setters and in-setters, and investors seeking short or long-term financial returns.

Community refers to a community or a collection of communities 'of place', i.e., within a geographically defined area. Community benefits are for the community that lives on and/or near to a project that has an impact on local resources and/or on the community itself.

Community benefits can be monetary but don't have to be. They should be provided with intent and in addition to planned project outputs. They are distinct from public benefits, such as carbon sequestration or clean air. Their primary benefit is for people who live closest to the project. Community benefits are discussed and agreed with the community through engagement and negotiation and contribute to the community's needs and aspirations and sustainable development.

Community engagement as defined in the **National Standards for Community Engagement** is a purposeful process which develops a working relationship between communities, community organisations and public and private bodies to help them to identify and act on community needs and ambitions. It involves respectful dialogue between everyone involved, aimed at improving understanding between them and taking joint action to achieve positive change. Community engagement is supported by the key principles of fairness and equality, and a commitment to learning and continuous improvement.

Project in the context of this Route Map refers to land management projects or activities aimed at improving Scotland's natural capital, e.g., peatland restoration, woodland creation or expansion or nature restoration.

Appendices

Identifying community benefits

Community benefits should consist of meaningful social and economic benefits that promote the sustainable development of communities. The benefits themselves could be monetary or non-monetary in nature and could also include transfer of ownership or leasing of land for community use – a list of examples is provided (**Examples of community benefits**). The delivery of community benefits is expected to strengthen and not diminish natural capital projects, with many community benefits also benefiting the landowner or project developer, for example, being able to employ local people or volunteering.

Communities will wish to consider how any natural capital project may help them deliver community priorities already identified in any agreed community plans – for example retention of young people or improved access to local food or firewood to address cost/climate issues.

Different benefits could be delivered at different stages of the project. There is no requirement for the community benefit to be directly linked to the outcomes of the natural capital project, but it will depend on each individual circumstance – some examples are provided (**Case studies**). As each project progresses, new opportunities for community benefits that had not previously been considered in the early stages may be identified or may evolve over time.

There can be confusion between delivery of public benefits and community benefits; public benefits are those that accrue to wider society like clean air, biodiversity, and carbon sequestration, while community benefits are those specifically for and identified by the local community. See table overleaf.



Image credit: D&G Woodlands and
Dumyat – Future Forest Company

Public benefit	Community benefit
Increased public access	Creation of footpath to link local communities or to link local village to school.
Reduce flooding risk downstream	Reduce flooding risk for houses, businesses and infrastructure in local community.
Provision of education and interpretation facilities	Education offer to local schools and youth groups to meet their requirements. For example, use of site for rural skills students to undertake practical work or for local forest kindergarten.
Jobs created	Jobs created for local people. Potential targeted training offer for local young people addressing skills shortage.
Volunteering programme	Targeted volunteering programme working with local social enterprise to bring long term unemployed back into work.
Increased visitors to area	Co-ordinated efforts with local businesses, such as accommodation providers, hospitality and retail operators, to address identified seasonality issues.
Low impact food production	Development of local veg box scheme or provision of excess food to local food banks or charities supporting households in need.
Timber production	Low-cost firewood supply to those in fuel poverty locally.

Scale and proportionality

Not all natural capital projects are the same – they will involve different sizes and types of land holdings, with varying proximity to the local community. Some projects may involve some form of direct financial return while others may not.

While smaller projects involving land use change close to a community could be considered to have a significant impact, it may not be possible for any meaningful community benefits to be delivered. Larger projects are more likely to be able to deliver tangible community benefits and these may be monetary and/or non-monetary depending on the overall objectives of the project.

A list of example community benefits (**Examples of community benefits**) has been provided to help all parties start to think about the range of benefits that could be delivered. It is important to recognise that some potential benefits might be considered disbenefits in some communities, for example, increased tourism, which is why benefits can only be identified through direct engagement with the community.

Examples of community benefits

The specific community benefits from land and from any natural capital investment project will be highly dependent both on the site and the needs of the adjacent community/ies. **The examples of community benefits provided below are only indicative of a range of benefits that could be delivered and is not exhaustive.** These examples have been provided to stimulate discussion; some more detailed case studies (**Case studies**) have also been provided.

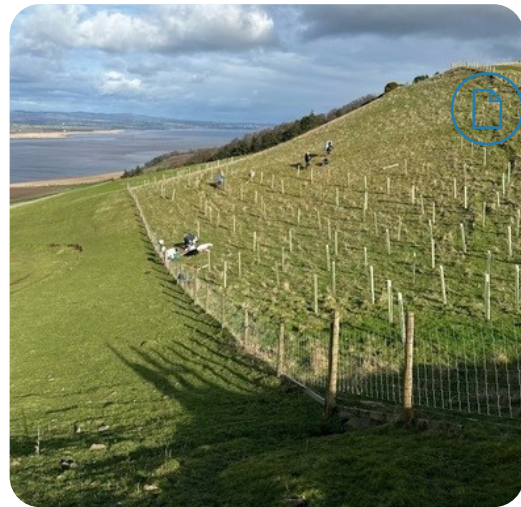
Possible community benefit	Possible community benefit
Access to land/ buildings – Housing for local people.	Research – Collaborative research responding to local priorities.
Access to land/ buildings – Local businesses/ social enterprise.	Infrastructure – Greening of existing housing stock – insulation, green infrastructure, water management.
Access to land/ buildings – Provision of community facilities.	Infrastructure – Development or upgrade of paths/ tracks to link communities or local facilities.
Access to land/ buildings – Local clubs and societies.	Infrastructure – Development or upgrade of facilities to encourage use by local groups (e.g. improved river access etc.).
Access to land/ buildings – Community woodland/ allotments/ orchard etc.	Infrastructure – Develop car parking or other facilities to better manage wider public access and minimise community impacts.
Access to land/ buildings – Community led or Joint Venture renewable energy projects.	Infrastructure – Protect local infrastructure, services and housing from flooding by installing preventative measures (e.g. riparian planting, re-meandering, leaky dams).
Access to land/ buildings – For new entrants to farming and crofting (including woodland crofts).	Community events – Provide facilities for community-led events or for the community to gather.
Job creation – Use of local contracting businesses/ suppliers.	Health and wellbeing – Work with NHS, social services and local groups to provide opportunities to connect and get outdoors.
Job creation – Directly employing local staff.	Local economy – Provide facilities for visitors to complement existing tourism offer in area.
Job creation/ training – Employing/ supporting apprenticeships.	Local economy – Work with local tourism providers to support new initiatives to extend season/ extend stays/ manage visitor peaks.

[continued over...](#)

Possible community benefit	Possible community benefit
Job creation – Act as employer for community or partnership project roles.	Access to local food – Set up farm food vending machine (inc. out of hours).
Training – Facilitating Peatland Action or other similar training.	Access to local food – Develop veg box scheme/ local farm shop or similar.
Training – Working with Local organisations to provide site/ venue for training (possibly for hard-to-reach groups).	Access to local food – Community picking/ harvesting days.
Training – Supporting training for local groups/ people in land management related activities (inc. practical skills).	Access to local firewood – Provide firewood at low/ no cost to households in need.
Skills training/ knowledge sharing/ knowledge transfer – In-kind support to community.	Access to local firewood – Develop or contract out local firewood scheme.
Volunteering – Provide supported volunteering opportunities (including citizen science) for local people/ groups (including hard-to-reach groups).	Benefit sharing – Revenue benefit from sales of carbon/ biodiversity/ other credits.
Education – Provide support for rural skills classes or similar.	Benefit sharing – Capital benefit from sale of land with increased value related to NCI.
Education – Provide guided site visits/ activities/ curriculum for local schools.	Other –
Education – Provide site/ facilities for Forest Kindergarten.	Other –
Education – Provision of summer or after school clubs.	Other –



Image credit: D&G Woodlands



Case studies

Embedding community benefit delivery

Parkhill Farm

Parkhill is a 217 ha family farm in Fife. Owned and managed by the Howison family as a mixed agricultural business with cattle, sheep and malting barley, they started working with Woodland Trust Scotland in 2016 to integrate trees and woodland into their operation. Early work on introducing apple trees as part of a silvoarable system has now expanded to consider woodland, hedgerows and expansion of the area under silvopastoral management. The new silvoarable management regime has resulted in less intensive arable management reducing the need for spraying close to the local village.

The Howisons have aimed to integrate delivery of community benefits across their farm and have in place an informal path network extending to between 4 to 5 miles as well as supporting dog walking on some road adjacent fields under grass. An informal car park was created on the farm after Fife Council completed some bridge upgrade works nearby. Education and school visits are supported with the local nursery utilising a mature beech woodland on the farm for regular forest school activities.

The local community assisted with the planting of the 750 apple trees and local people are employed on a seasonal basis to help with fruit picking. The apples are then turned into cider with the Howisons contracting with another local business who has the appropriate technology for fruit pressing and juice extraction. Further benefits accrue as the cider produced is sold through a range of local outlets.

More information Parkhill Farm website



Community benefit funds



Dundreggan – Trees for Life

Trees for Life (TfL) is an environmental charity working in the Scottish Highlands. In 2008 TfL purchased the 4,000-hectare Dundreggan Estate in Glenmoriston. They have carried out a range of works across the estate including the 174-hectare Allt Ruadh native woodland creation project. With the trees being planted between 2016 and 2018, the scheme was registered with the Woodland Carbon Code.

TfL committed to sharing the income from the sale of the carbon units from the Allt Ruadh scheme with two local community groups – the West Glenmoriston Community Company and the Glenmoriston Improvement Group. The community benefit agreement stipulates that one third of the unit sale income will be split equally between the two community groups.

As of December 2024, a total of £71,782 has been distributed to the two groups and there are approximately 2,000 carbon units still to sell. The community groups – who are free to use the funds as they see fit – have invested in a range of community initiatives including a children’s playpark and upgrade of a local community hub.

More Information: SLC: Dundreggan Case Study

In kind support



Dumyat – Future Forest Company

Future Forest Company (FFC) is a private company formed in 2020 with the aim of restoring nature and combating climate change. They have acquired a number of properties across Scotland and Northern England where habitat restoration is carried out including woodland creation and management, peatland rewetting, wetland creation and wildflower meadow enhancement.

FFC acquired Dumyat, a 430-hectare hillside above Menstrie in Clackmannanshire in 2021 and since that time significant tree planting and wildflower meadow enhancement has been undertaken, the latter with a focus on pollinators, as well as specific species management for rare butterflies and plants.

FFC has been working in partnership with Menstrie Community Council and other community organisations on a range of initiatives including:

- A mountain bike skills park which is being developed by Menstrie Community Council, the Ochils Trail Association (OTA) and Clackmannanshire Council. The land, which is on the lower slopes of Dumyat, just 100 metres from the road and readily accessible to the community will be provided by FFC, with OTA overseeing its maintenance and future development.
- Menstrie Community Woodland required work to eradicate Japanese knotweed, which is an invasive species and also impacts on FFC land. FFC were able support training a local volunteer from TCV Scotland, to work with the local community, in the safe use of chemical treatments.
- FFC staff also donated a financial award they had won to help build a replacement bridge for a local walking group and to create a new path within the community woodland to the Dumyat site's existing path network.

More information: Dumyat Community Involvement Plan 2024-2029





Image credit: Nattergal/Jonathan Perugia

Volunteering and access



Boothby Wildland – Nattergal

Nattergal took ownership of Boothby Wildland (BW), near Grantham Lincolnshire, in December 2021. Previously this grade 3 soil, 617-hectare site, was managed intensively for cereal production. It is now being transformed into a landscape of woodland, open grassland, pasture and scrub with restoration of the local floodplain to ease downstream flooding pressures.

With a commitment to community engagement and volunteering, Boothby Wildland has employed a part-time Communities Coordinator who supports regular volunteering opportunities and community events at the site. Since late 2023, weekly volunteering sessions have been run at BW with a growing number of local volunteers attending regularly to undertake work including green hay spreading, fence building, apple tree grafting, removing tree guards and setting up and monitoring camera traps. Monthly guided walks are provided for the local community as well as a number of seasonal events, including the reinstatement of a local barn dance at the behest of residents of the closest village of Boothby Pagnell.

Access to the countryside is more limited in this highly agricultural landscape and at BW efforts are being made to extend permissive access routes by 33%, adding 6km of new footpaths and bridleways following collaboration with local communities.

Plans are now being developed to enable both the site and volunteering and other activities to be made more accessible to hard-to-reach groups in the community.

More Information: Nattergal - Boothby Wildland



Access to land

Glaisters Bridge – Foresight Sustainable Forestry Company

Foresight Sustainable Forestry Company (FSFC) a previously publicly listed but now privately owned forestry investment company, secured the 343-hectare Upper Barr property in Dumfries and Galloway in September 2023. On securing the site, FSFC signed a 20-year lease agreement with the Upper Urr Environmental Trust for 4-hectares. The lease is accompanied by a partnership agreement between the two parties over a further 90-hectares of the site. EJD Forestry who carry out the day-to-day management of Upper Barr are also active partners.

While the main block of land retained by FSFC will be planted with a mixed woodland producing both timber for local processing and carbon units, the 90-hectares covered by the partnership agreement will be managed for peatland restoration, habitat improvement and wider community and educational uses.

The community opted to have a formal lease over the smaller 4- hectare Glaisters Bridge site as this provided security of tenure and will enable them to access grants including local windfarm monies to establish and manage their own community woodland. To date the community has installed a path network and planted 250 broadleaved trees. They intend to put in benches and carry out a range of community events including planting days.

More Information: Upper Urr Environmental Trust



Image credit: D&G Woodlands



Agreeing community benefits

Once the range of community benefits have been identified, these should be written down and agreed by all parties. Any agreement should also confirm arrangements for ongoing engagement and regular reviews to ensure that the arrangements remain relevant over time. Depending on the nature of the benefits to be delivered, different types of agreement may be entered into. This may mean more than one agreement may be required; particularly if financial benefits are to be shared or land is to be sold (either at or below market price), transferred, or leased. Any agreement should be made directly with the community and not with third parties acting 'on behalf of the community', unless explicitly agreed by the community.

There are different types of agreement. A Memorandum of Understanding (MoU) is not legally binding but acts as a statement of intent and sets out the commitment, resources and other considerations of all parties. More formal legally binding Community Benefit Agreements should be put in place for any transfer of monies and Sale or Lease Agreements should apply to the transfer, sale or leasing of land and/or assets. More details of each of these mechanisms are provided below. Any legal agreements will require the community to seek appropriate professional advice; legal, surveying, valuation etc.

While having written agreements in place it is important to remember that they do not replace the benefits that accrue from there having a productive and transparent relationship between all parties working together for mutual benefit.

In any agreement it will be important to consider future monitoring and reporting on what has been delivered.

Memorandum of Understanding (MoU)



A MoU is the most appropriate mechanism for agreeing non-monetary benefits, working arrangements and future commitments to review.

The MoU would typically set out:

- Who are the parties to the agreement.
- What is the purpose of the agreement.
- What, if any, benefits will be delivered on what timescales and the respective roles/ contributions of each party.
- Arrangements for monitoring.
- Arrangements for ongoing engagement and how the parties will work together.
- Dealing with conflict or lack of delivery by any party
- Review of arrangement including what happens if any party fails or if there is a change in ownership.
- More Information: **(MOU Guidance)**

Community Benefit Agreement



A CBA is the most appropriate mechanism for agreeing payments to be made to the community from the sale of any carbon, biodiversity or other credits (revenue benefit), or from the sale of land/ assets (capital benefit). This is a formal legally binding agreement. A CBA would typically set out:

- Who are the parties to the agreement.
- What is the purpose of the agreement.
- What funds will be transferred to whom and on what basis.
- How any funds will be managed to deliver community benefits.
- Requirements for reporting on the use of funds.
- Review of arrangement including what happens if any party fails or if there is a change in ownership.
- More Information: **(CBA Guidance)**

Sale or lease agreement



An agreement for the transfer of ownership of land and/or assets whether this involves payment or not requires a standalone agreement. Similarly leasing or any other rights of use over land will require a separate agreement.

It is important that the community undertake appropriate due diligence in advance of taking ownership or rights over land/assets. This should also include consideration of any future development of the assets and the time and resources that will be involved in this. Appropriate professional advice should be taken.

Further advice is available from the Development Trust Association Scotland's **Community Ownership Support Service**.



Image credit: D&G Woodlands and Dumyat – Future Forest Company



Memorandum of Understanding guidance

A Memorandum of Understanding (MoU) is not a legally binding document, but it can helpfully set out and agree expectations and working arrangements between the parties involved. The headings below are designed to assist in the development of a MoU relating to the agreement and delivery of community benefits from natural capital investment projects, excluding those that have a monetary or asset transfer element; which require separate legally binding agreements.

Every project is different, and every working relationship is different and **therefore the suggested MoU content below is for guidance only.**

Suggested content

Parties to the MoU

Relevant details of all of the parties involved in honouring the agreement should be provided.

If a community organisation represents a wider community or acts on behalf of a number of different community bodies, then this should be made clear.

Preamble or purpose of the MoU

In as plain English as possible describe the purpose of the MoU including mention by name the specific natural capital project.

Community benefits identification and delivery

List each identified and agreed community benefit. To minimise ambiguity in the MoU and help manage expectations be as specific as you can about the actions that will be required to deliver each benefit, including detailing the responsibilities of any of the parties and the associated timescales. However, while it is helpful to be as specific as possible it is also possible to include areas of mutual exploration which may or may not result in concrete actions.

Impact monitoring and measurement

Set out what indicators will be used to measure the success of the MoU and associated benefits; these could be linked directly to the activities or could be indirect benefits from closer relationships and joint working. While not formally part of the agreement you need to be clear on what baseline you will be using to measure any desired change. The timescales and responsibility for measurement and reporting should be clearly specified.

Working relationships

Set out how the parties will work together and what arrangement this will take. This could be in the form of a local management, steering or advisory group for the project, attendance of community nominated representative/s on a project board, attendance at meetings of specified community organisations by a representative of the landowner or company, or another agreed arrangement. The frequency and nature of any meetings should be included.

Dealing with conflict, dispute or non-delivery

This section of the MoU should set out how you will resolve any conflicts or disputes if for any reason one should arise, including in relation to lack of delivery by any party.

The resolution of the conflict or dispute could include the use of a specified third party, agreed by the Parties to the MoU, who would have the ability to facilitate discussion to find an agreed solution. If for any reason a resolution cannot be found, then any of the Parties should have the right to end the MoU and the way in which this will be done should be stated.

You may wish to refer in this section to a Code of Conduct which would be adhered to by all parties and their representatives. Such a Code of Conduct would be best included as an Annex to the MoU and could detail topics agreed by the parties including for example subscribing to ethical and professional behaviours, transparency of decision making and communication, and engagement with other non-MoU parties.

Review of the MoU

Set out the timescale for reviewing the MoU. You may wish to consider the normal regular review period but also any circumstances which may result in a review out with this normal period. This could include changes to any of the parties that are signatories such as a change in land ownership or investor or a change in community organisation, for any reason.

If there is to be an agreed end date for the provision of the MoU this should also be agreed and stated.

Signatories

The MoU should be signed and dated by nominated representatives of all parties, once the MoU has been ratified by normal approval processes within each organisation.

Community Benefit Agreement guidance

A Community Benefit Agreement (CBA) is a legally binding document, therefore what is set out below **is for guidance only**. You should always **seek legal advice before agreeing to the terms and entering into a CBA**. The headings below are designed to assist in the development of a CBA relating to the agreement and delivery of community benefits in the form of profit sharing from natural capital investment projects only. Any benefits which have an asset transfer element will require separate legally binding agreements. Every project is different, and every working relationship is different and therefore the suggested CBA content below is for guidance only.

Suggested content

Parties to the CBA

For each party include the following: name, registration number, registration address.

If a community organisation represents a wider community or acts on behalf of a number of different community bodies, then this should be made clear.

Preamble or purpose of the CBA

In as plain English as possible describe the purpose of the CBA including mention by name the specific natural capital project.

Community benefits from revenues

This section should set out the basis on which revenues from profit sharing will be transferred to the community organisation/s identified. This may make reference to a set financial amount or set percentage agreed per natural capital unit sold or any other agreed amount. These figures may or may not be index-linked. The community may wish to set a floor price/ amount below which payments should not drop. The start date, frequency of payments and end date should all be clearly specified. There may also be clauses relating to adjustment of payments which relate to incidents of force majeure (e.g., wildfire or other damage by natural factors such as pests or disease) that may have an impact on the ability of the natural capital project to deliver its intended outcomes.

Application of funds

This section should set out how the community funds will be administered and the purposes for which they will be used. These should be set by the community and not the landowner/ developer. This may or may not stipulate the inclusion of reasonable costs incurred directly in the administration of the community benefit funds.

Reporting

Set out the nature and frequency of reports from the community organisation in receipt of funds to the project developer/ landowner on how the community benefit funds have been distributed. This will be for information only.

The project developer/ landowner may be given the right to publicise the community benefits delivered through the project.

Sale/ transfer of the land/ NCI project outputs

A clause should be inserted which transfers the obligations under any CBA to a new land/ project owner.

Various other legal clauses

Depending on drafting, there are likely to be clauses relating to Definitions, Variations, Governing Law and Jurisdiction, but these are standard and would be handled by any legal advisors.

Signatories

The CBA should be signed and dated by nominated representatives of all Parties, once the MoU has been ratified by normal approval processes within each organisation.





Supporting resources

Community benefits

- SLC Resources: Delivering Community Benefits from Land
- SLC FAQs: Delivering Community Benefits from Land

Community and stakeholder engagement

- SG: Guidance on Engaging Communities in Decisions Relating to Land
- SLC: Route Map Community Engagement in Decisions Relating to Land
- SLC: LRRS Protocol: Community Engagement in Decisions Relating to Land
- Deciding Matters: Community Inclusion for Community Benefits: Best Practice Guide

Natural capital investment/ finance

- SG: Principles for Responsible Investment in Natural Capital
- SG: Natural Capital Market Framework
- UK Government: Green Finance Strategy and Nature Markets Framework
- SLC: LRRS Protocol: Responsible Natural Capital and Carbon Management

Other relevant advice and support

- Confor: Engaging with Local People and Communities
- GFI: Investment Readiness Toolkit: Community Engagement
- Nattergal Report on Stakeholder Engagement Best Practice for Landscape-scale Nature Recovery Projects
- Alliance for Scotland's Rainforest: Community Engagement Good Practice Guide
- SG: Toolkit for Participatory Engagement and Social Research
- University of Strathclyde: Literature Review on Community Participation for Community Benefits
- SLC: LRRS Protocol: Transparency of Ownership and Land Use Decision making
- Local Energy Scotland: Community Benefits Toolkit
- Ecosystems Knowledge Network
- DTAS Community Ownership Support Service
- My Community: Community Assets and Ownership
- Scottish Land Fund
- Nature Finance Certification Alliance
- BSI: Nature Investment Standards Programme
- Community Land Scotland: Natural Capital Partnerships Project
- Scottish Forum on Natural Capital
- Woodland Carbon Code
- Peatland Code
- UK Government: Biodiversity Net Gain
- Local Place Plans – Each Local Authority will have a register of completed Local Place Plans providing links to these plans.



Image credit: Nattergal/Jonathan Perugia



Ma tha sibh ag iarraidh lethbhreac den sgrìobhainn seo sa Ghàidhlig, cuiribh post-d gu **commsteam@landcommission.gov.scot** no cuiribh fòn gu **01463 423 300**.

If you would like to request a copy of this document in Gaelic, please email **commsteam@landcommission.gov.scot** or call **01463 423 300**.



Scottish Land Commission
Coimisean Fearainn na h-Alba

Scottish Land Commission

An Lòchran
10 Inverness Campus
Inverness
IV2 5NA

info@landcommission.gov.scot
01463 423 300

www.landcommission.gov.scot

© f X @ □ in 🦋

© Scottish Land Commission