SCOTTISH LAND COMMISSION
COIMISEAN FEARAINN NA H-ALBA

Community Land Leadership Group

Thursday 31st October, 2pm, Online
Summary note of meeting

Present: Lorne MacLeod (SLC – Chair), Michael Russell (SLC), Hamish Trench (SLC), Gemma Campbell (SLC), Patrick Kirkham (Scottish Government), Sandra Holmes (HIE), Kirsten Logue (SoSE), Dave Thomson (SG), Ailsa Raeburn (CLS), Josh Doble (CLS – from 2.30pm), Linda Gillespie (COSS), Katie Alexander (CES), Jamie McCaw (National Lottery Community Fund), Pauline Hinchion (Scottish Communities Finance), Rachel Searle (Foundation Scotland)

Introduction

The chair welcomed group members.

No amends to the minutes of the previous meeting were noted. The chair therefore committed that a summarised version of the minutes would be published on the Land Commission website for transparency.

Topic Discussion: Finance, resource and capacity constraints, including post-acquisition development funding

Lorne introduced the topic, and this was followed by an overview of the Scottish Land Fund perspective from Sandra and Jamie.

- SLF budget 2024/25 is £7.1m, £5m of which is capital
- Pipeline of around 290 projects
- Anticipate a further 31 applications this year with total ask of about £4.6m, leaving a shortfall of around £1.5m
- Success rates have dropped – projects are fundable, but SLF doesn't have budget to support them all
- Maximum intervention rate is 95% but average this year is 72% (down from 84%)
- Increase in groups using reserves for match funding.

There was then a discussion which covered the following points and questions from attendees:

- What happens to projects that do not receive SLF funding
- What is the impact on more deprived communities?
- The impact of annualised funding
- The availability of funding in the social investment space and the barriers to communities accessing this
- Capital vs Revenue funding and the difficulties in accessing revenue funding in particular

- The need for communities to fully understand the assets they are buying and the need for pre-acquisition funding to support this
- The impact of capacity on the quality of feasibility and business planning that communities can carry out – even where consultancy support is procured, community may not be able to critique or challenge work
- Need to consider why communities buy assets – often because of market failure. These assets are unlikely to generate significant income and may not be suitable for equity or debt funding
- How can communities be supported to purchase revenue generating assets?
- The importance of patient capital and affordable funding
- The ability of community benefit funds to provide patient capital
- Some philanthropists not interested in financial return and want to see social impact – could explore this more
- Community and developer roles in deciding priorities and policies for community benefit funds
- Collective role of group members in following up on connections identified today
- Role of SLF and how it operates and consider how to best align funding to land reform policy objectives
- Ability of SLC to act in co-ordination role and convene discussions on bringing different finance together.

Information sharing

CLS – JD giving evidence to NZET committee on 5th November.

FS - Group on Review of Community Benefit from Offshore Wind has been revived. Public consultation likely Jan to March.

SG - LRB update: Parliament has confirmed end of Stage 1 process which will be 28th March. NZET committee starting up evidence sessions and visits. Working directly with SLC on several aspects.

COSS - Democratic Finance Scotland programme. 3 years of funding has been secured from Esmee Fairbairn Foundation

Community Right to Buy Review
Terms of reference are being created for reference group for CRtB review, as discussed at last meeting. These will be shared with group at December meeting for agreement.

Welsh research on community assets
Research being carried out by Cardiff University on community assets, with view to report and recommendations being presented to Senedd before next summer. Workshops and interviews being conducted. GC happy to put anyone in touch with researchers if they are interested.

AOB

Work being taken forward on Scottish National Community Wealth Fund (name may change) – idea to combine finance and funding into a pot to fund communities to purchase income generating assets.

Date and focus of next meeting
Thursday 5th December, 2pm, online.

Hamish and Gemma to discuss options for topics and confirm agenda prior to meeting.