

Rural Assets

Policy and Practice Insights from Scotland



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This project has been funded by the British Academy and Nuffield Foundation collaboration on Understanding Communities.

The Nuffield Foundation is an independent charitable trust with a mission to advance social well-being. It funds research that informs social policy, primarily in Education, Welfare, and Justice. The Nuffield Foundation is the founder and co-funder of the Nuffield Council on Bioethics, the Ada Lovelace Institute and the Nuffield Family Justice Observatory. The Foundation has funded this project, but the views expressed are those of the authors and not necessarily the Foundation. More information can be found at www.nuffieldfoundation.org.

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Acknowledgements

We would firstly like to thank the North Sutherland Community Forest Trust and wider community for their time and invaluable contribution to this project, along with all of the other rural community members from across Scotland who shared their experiences. Secondly, we would like to extend thanks to all of the key national support organisations, public authorities and policymakers from across Scotland who gave their time, knowledge and expertise. Thirdly we would like to extend our gratitude to our project Advisory Group for guiding and steering us in the right direction. Finally, we give thanks to the Understanding Communities programme teams at the Nuffield Foundation and British Academy for giving us this opportunity and mentoring us through this journey.



1. Executive Summary

Across all jurisdictions of the UK, the acquisition of local assets, such as land and buildings, is promoted at a policy and public authority level as a valued means of strengthening communities. While research has established that owning community assets can positively impact on communities, less is known about the conditions under which processes of asset acquisition lead (or do not lead) to increased empowerment, wellbeing, and resilience.

The project 'Rural Assets: Policy and Practice Insights from the Devolved Nations' aimed *to understand the impacts of the processes of community asset acquisition upon the empowerment, resilience and wellbeing of rural communities*. To achieve this aim, primary data was collected through interviews and Knowledge Exchange events with rural community members, public authorities, key national support organisations and policymakers from across the UK. This report will specifically outline key findings from the Scotland study. Findings from across the UK, and details of wider activities related to the Rural Assets project, such as the community co-production element, can be found in our Main Public Output.

Summary of key findings

The key drivers for rural communities in Scotland to pursue asset acquisition were to preserve the historical and/or cultural significance of assets, to provide opportunities for local socio-economic development, and to save facilities that may be under threat of closure. Our study found that key motivators for public authorities to transfer assets was for communities to make better use of land and buildings, and to free up authority resources and capacity from handing over responsibility for the management and running of assets.

Key barriers to rural communities engaging in processes of asset acquisition in Scotland:

- A lack of capacity within rural communities to engage with asset acquisition processes due to smaller populations and limited volunteer pools.
- Difficulties in planning for succession and legacy of assets in a context of ageing populations and youth outmigration. Further, being able to demonstrate sustainability of assets in formal transfer applications.

- A lack of skills and knowledge available within rural communities to be able to engage in and navigate formal asset acquisition processes.
- Inconsistent public authority processes and practice, which was impacted by the capacity and resources of authorities, as well as their perceptions of and support for community ownership.
- The complexity of legislative process, which some found resource and time intensive, and the ability of communities and public authorities to keep to timescales and deadlines.

Key facilitators for rural communities engaging in processes of asset acquisition in Scotland:

- The legislation in Scotland, in particular the Community Empowerment Act (Part 5 Asset Transfer), was found to be a key facilitator of asset acquisitions, with improved communication and transparency between communities and authorities, and greater rights for communities.
- Communities and public authorities having a fundamental understanding of the dynamics of formal asset acquisition process and the legislation.
- The availability of public funding, most notably the Scottish Land Fund as a key source of capital funding for purchase of assets.
- Local and national third sector and intermediary bodies were found to be 'invaluable' ecosystem of in providing support and guidance to rural communities throughout an asset acquisition process.

The impacts of asset acquisition processes on the empowerment, resilience and wellbeing of rural communities:

Our evidence showed that asset acquisition processes **empowered** rural communities through:

- Taking control and ownership over local socio-economic development and decision making;
- Facilitating a culture of self-help and confidence for rural communities to deliver their own better services and facilities;
- Having community rights, formal processes and funding available to pursue assets;
- Learning from other communities who had been successful in gaining assets through the legislation;
- The formation and cohesion of community groups around a common shared goal of asset acquisition.

However, rural communities felt **dis-empowered** by:

- The exclusion of those who might not be empowered, such as more deprived communities who may find it more challenging to take on assets than affluent rural communities.

Rural communities felt that asset acquisition processes impacted positively on their **resilience** by:

- Being able to create new services and facilities, or replace ones that were not working effectively;
- The ability to keep assets within rural communities that may be important in times of crisis or emergency (e.g. the COVID-19 pandemic);
- Building resilience of community groups throughout the process .

However, rural communities felt that asset acquisition processes **decreased their resilience** through:

- Challenges related to the sustainability, repair and maintenance of assets post-acquisition.

Rural communities felt that asset acquisition processes impacted on their **wellbeing** through:

- The prospect of gaining assets that can impact on community wellbeing, such as spaces to tackle social isolation and loneliness.

However, rural communities felt that asset acquisition processes impacted **negatively on their wellbeing** through:

- Processes being laborious and complex, and requiring significant commitment from small pools of volunteers which could lead to burnout.

Recommendations

Considering the presented evidence, we provide the following recommendations:

- Recognising that the acquisition of assets by rural communities can often be driven by the threat of losing vital services or key historical assets, rather than positive choice, it is important that community groups are supported to understand and navigate what can be a complex and burdensome set of formal processes. In particular, our research points to a need for capacity and knowledge building around legislative process, including opportunities for shared learning from other rural communities who have been through it before.
- While legislative mechanisms are in place to standardise process across relevant authorities, further resourcing and training is required to provide consistency, accountability and adoption of community asset transfer (and community empowerment more broadly) across all relevant authorities. In particular, training is required around keeping to timescales, proactively changing resistant cultures, and reducing levels of bureaucracy.
- Scotland is the most advanced nation in the UK in term of policy and law for community asset acquisition, and further opportunities should be identified to share learning with the other UK nations around what works (and what hasn't worked so far), and in particular the differences that legislation had made since its introduction.

Introduction

STRATHNAVER PUBLIC HALL
TALLA BAILE SRATH NABHAIR

2. Introduction

Rural communities across the UK face long-standing challenges, such as outmigration of young people and geographic isolation, that affect local socioeconomic development and threaten community resilience and wellbeing. These issues are potentially exacerbated by contemporary events such as Brexit, COVID and climate change, making rural communities more vulnerable to spatial injustices and inequalities. Across all jurisdictions of the UK, the acquisition of local assets, such as land and buildings, is promoted at a policy and public authority level as a valued means of strengthening local networks and the sense of community empowerment that contributes to resilience and wellbeing. While research has established that community assets can enhance wellbeing in rural contexts, less is known about the conditions under which processes of asset acquisition lead (or do not lead) to increased empowerment, wellbeing, and resilience.

Our project 'Rural Assets: Policy and Practice Insights from the Devolved Nations' was a novel comparative study that drew upon co-produced knowledge of policy, processes and implementation of asset acquisition. Through a comprehensive policy analysis, the collection of primary data from rural community case studies, and an approach that co-produces outcomes with communities, we sought to identify the people, systems, and structures involved, highlighting the barriers and facilitators emerging in the narrative accounts of pathways to community asset acquisition across the different UK jurisdictions. While a UK wide study was undertaken, this report specifically outlines key findings from Scotland.

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2.1 Aims and Objectives

The Rural Assets study aimed *to understand the impacts of the processes of community asset acquisition upon the empowerment, resilience and wellbeing of rural communities.*

Through comparatively identifying the people, processes and structures involved in community asset acquisition in Scotland, we sought to elicit what is and is not working at each key stage of the process. To achieve this, the project had the following objectives:

1. *To identify existing policy and practice level structures and processes for community asset acquisition and their application in rural contexts;*
2. *To understand the lived experience of rural communities who engaged with asset acquisition processes and the impacts on their empowerment, resilience and wellbeing;*
3. *To identify specific facilitators and barriers for rural communities engaging in processes of asset acquisition;*
4. *To promote shared learning and create solutions with communities, policy makers and practitioners on how to enable empowerment, resilience and wellbeing in rural communities through asset acquisition processes.*

2.2 The policy context for community asset acquisition in Scotland

Scotland is often viewed as the most advanced nation in the UK for community asset acquisition due to the presence of legislation including the Land Reform (Scotland) Act 2003, the Community Empowerment (Scotland) Act 2015 and the Land Reform (Scotland) Act 2016. The Land Reform (Scotland) Act 2003 (the 2003 Act) introduced a Community Right to Buy (CRtB), providing the opportunity for communities across Scotland to register an interest in land (usually private land) and buy that land at market value once it is offered for sale. Initially the CRtB applied to rural settlements of less than 10,000 people, however the Community Empowerment (Scotland) Act 2015 (the 2015 Act) extended this right to buy to the whole of Scotland. The 2003 Act works by allowing a community body (that is, members of a locality associated together in

a suitable legal personality) to acquire land in certain circumstances. Part 2 of the 2003 Act gives the relevant community body a right of first refusal, meaning the owner cannot be forced to transfer the land, and the community right only engages once the land is put up for sale. To acquire this right of first refusal, a community must first register an interest in the land it seeks to acquire in a public register. A community body, for the purposes of this CRtB, under Part 2 of the 2003 Act, must be referable to a geographical area.

The 2015 Act introduced a further right for communities to request Asset Transfers from public bodies. Part 5 of the 2015 Act provides a right for communities to request asset transfers from “relevant authorities”, including the Scottish Ministers (such as Forest and Land Scotland) and local authorities, and other entities like the Scottish NHS, and Scottish Police Authorities. Communities can use this legislation to seek ownership of land (or buildings), or a right short of ownership, such as a lease or a right to manage or occupy the asset.

To request ownership or a lease of an asset, the community must state the asset to which the request relates, the reasons for making the request, the benefits which the community transfer body considers will arise if the authority were to agree to the request, and the price that the community would be prepared to pay.¹ The relevant authority is not allowed to sell the asset until it considers the request,² and it must give due consideration to the application based on the scheme set out in the legislation, including whether agreeing to the request would be likely to promote or improve economic development, regeneration, public health, social wellbeing, or environmental wellbeing.³ The relevant authority must agree to the community’s asset transfer request unless there are reasonable grounds for refusing it.⁴ The 2015 Act does not say how much should be paid to purchase or lease an asset, or whether it should be at market value or at a discount. However, according to the Community Empowerment (Scotland) Act 2015 guidance: *“All relevant authorities have a duty to secure Best Value in their operations...it has long been recognised that best value does not always mean the highest possible price, and all authorities have the ability to dispose of property at less than market value where there are wider public benefits to be gained”*. A community body can seek a review or appeal if their request is refused, if the request is agreed but the terms and conditions in the decision notice are significantly different from the request, or if no decision notice is issued in the required period.

If the request was made to a local authority, the community body can apply for an internal review by the authority itself.⁵ If this process does not resolve the issue, or if no decision is made within the required period, the community body can then appeal to Scottish Ministers under section 88.

The 2015 Act also requires a relevant authority to establish and maintain a publicly accessible register of land that, to the best of its knowledge and belief, it owns or leases;⁶ and to publish Annual Reports setting out various information such as the number of asset transfer requests received and their outcomes; appeals received and their outcomes; and action taken to promote the use of asset transfer and support given to community transfer bodies making requests.⁷

Generally, local authorities can also sell, lease, or otherwise grant propriety interests to communities outside the asset transfer process under the 2015 Act, including at below market value, provided they comply with relevant applicable public administrative law, land law, guidance, and so on. Indeed, many asset transfers from local authorities still take place outwith the procedure laid down in the 2015 Act.

¹ Section 79.

² Section 84.


³ Section 82.

⁴ Section 82(5).

⁵ Section 86.

⁶ Section 94.

⁷ Section 95.



The Scotland Study

3. The Scotland Study

As part of the Rural Assets project, primary data collection and analysis took place to better understand the key facilitators and barriers to rural communities engaging in processes of community asset acquisition, and to explore how engaging in these processes may impact on their empowerment, resilience and wellbeing. Data was collected using three specific approaches:

- (1) In-depth interviews and fieldwork with a rural community case study who were in the process of seeking an asset transfer of land from a public authority;
- (2) In-depth interviews with public authorities from across Scotland, key national stakeholders, and a Scottish Government policy officer;
- (3) Data collected at a Scotland specific Knowledge Exchange event that brought together rural communities, practitioners and policymakers.

3.1 The Scotland rural case study

Rosal Clearances Village is one of the largest of many abandoned settlements scattered along Strathnaver, and stretches south from Bettyhill on the north coast. The area of Rosal is a victim of the Highland Clearances: a process of forcibly resettling inland residents to often unsuitable terrains on the coasts, which endure harsh weather and a scarcity of fertile ground, in order to clear way for farming, largely between 1750 and 1880. Inhabitants of Rosal were evicted in 1814, and during the process houses and crops were destroyed to deter them from returning home. Prior to the evictions, the village had been a continuous settlement for over a thousand years. Forestry and Land Scotland (FLS), an arms-length body of the Scottish Government, currently owns the Rosal land site but has made public its intention to sell the land.

North Sutherland Community Forest Trust (NSCFT) is a charity which has a membership of one hundred community residents and is run by a board of voluntary directors. The trust covers the community council areas of Tongue; Bettyhill, Strathnaver and Altnaharra; Strathy and Armadale; and Melvich. These are some of the least densely populated areas of the UK. NSCFT's key purpose is to promote rural regeneration in areas of social and economic deprivation and to advance the

education of people about the local history and culture. NSCFT have a history of buying local assets with the intention of creating a stronger sense of community led stewardship over their landscape, and already own Borgie Cabin, a log cabin in Borgie Breco forest which is hired out to residents and visitors, and Forsinain Forest, approximately 762 acres of woodland.

At the time of the research, NSCFT were in the process of trying to purchase the Rosal site from FLS with the objective of preserving and promoting the clearances village to locals and tourists. The site itself is in the close vicinity of the North Coast 500, a popular scenic tourist road route for national and international visitors to Scotland. NSCFT believe that Rosal has fundamental value to the community due to the historical association with the Highland Clearances, therefore, there were fears that the asset would be sold to an absent landowner that had no connection to its history. Their hope is to bring the local asset into community ownership to showcase the archaeological history and Gaelic heritage within and around Rosal, telling the story of the local history and hopes for the future.

The project was initially led by Strathnaver Museum who wished to bring the land back into community ownership (as it was pre-clearances), however due a lack of volunteer capacity the project was handed over to NSCFT to lead. The trust was working collaboratively with Strathnaver Museum, Bettyhill Community Council, Historic Environment Scotland, and other community stakeholders to achieve their objective. NSCFT had already received first-round funding from the Scottish Land Fund (SLF) in 2021 to run community consultation events and to get a valuation of the land. A formal application for asset transfer had also been submitted to FLS and had been accepted, and a deadline was provided (of June 2022) to complete the transfer.

Delays were being faced as the group had initially applied to FLS to take over ownership of a large part of the land, including a portion of forest. Since that time, the Trust had decided only to pursue ownership of a smaller portion of the land as responsibility and management of the site was felt to be beyond the capability of the Trust. Nonetheless, there were ongoing community concerns that if NSCFT didn't take on the whole site parts of it would be purchased by large developers or land owners who had no interest in its

significance or in local development. The group were also concerned that they were applying for public funds (through the SLF) to pay for a publicly owned piece of land that was taken away from the community during the clearances, and therefore wanted time to discuss options, such as discounts or nominal fees for purchase. At the time of the study, the community were in the process of filling out a stage 2 application to the SLF for money to purchase the site, but were facing delays while decisions were being made over what FLS wanted to sell versus what the community actually wanted to purchase. Because of these ongoing discussions, the NSCFT had asked for an extension to the FLS deadline for completion.

In-depth interviews were conducted with five community members who were directly or indirectly involved in the community asset acquisition, including members of the NSCFT.

3.2 Interviews with public authorities and key stakeholders

In line with existing legislation on asset acquisition in Scotland, transfer requests can be made to any 'relevant authority'.⁸ This includes local authorities (councils), education colleges, Forestry and Land Scotland, Scottish Ministerial agencies, health boards, police, fire and rescue and Scottish Water. According to a 2021 evaluation of community asset transfer, local authorities received the highest number of asset transfer requests (84% of all applications), with a small number of requests made to health boards and 'other' relevant authorities.

In Scotland there are 32 local authorities (referred to as councils). In-depth interviews were conducted with five representatives from four public authorities (four council representatives and one representative of Forestry and Land Scotland), two national support organisations and one Scottish Government policy officer. These interviews allowed us to gain a national picture of community asset acquisition processes and to what extent rural communities are engaged and supported.

3.4 The national Knowledge Exchange (KE) event

On the 22nd June 2023, we hosted an online Rural Community Assets Transfer Knowledge Exchange Event for Scotland. In consultation with key Scottish stakeholders from policy and practice it was felt that there was a need to share knowledge and understanding of the impacts of legislation on experiences of rural community asset transfers. This included seeking feedback from rural communities that have been engaging with the process and identify enablers, facilitators, barriers and challenges. The event was attended by 27 rural community members from across Scotland. The Scotland KE event was designed with the following aims:

1. Identify good and bad practice, what works and what doesn't with current community asset transfer processes from the rural communities' perspective in Scotland;
2. Identify effects of the acquisition process on the empowerment, resilience and wellbeing of rural communities in Scotland.

Throughout the event participants were asked to reflect on our key research questions and data was collected using note taking, Miro Boards and mentimeter.

⁸ <https://www.gov.scot/publications/asset-transfer-under-community-empowerment-scotland-act-2015-guidance-relevant-9781786527493/pages/6/>



Findings

4. Findings

Findings from interviews with our rural case study, local authorities and key stakeholders, and our Knowledge Exchange (KE) event, have been combined and are outlined below. First, we discuss the motivations for asset transfer, on the part of both the community group and the public authority. The perceived barriers and facilitators to the process will then be presented, before we discuss the impacts of the process on the empowerment, resilience and wellbeing of rural communities.

4.1 Motivations for rural communities in Scotland to take on public assets

To preserve the historical and/or cultural significance of assets

The key motivator for the NSCFT to take ownership of the land at Rosal was because of its historical and cultural significance as a Highland Clearances village.

"It's a historic site, it's one of the most important historic sites when it comes to the clearance...We're just making sure that history is not forgotten"

(Community case study interviewee 1)

"We don't have any immediate descendants of the people who were cleared, and it almost feels like we are getting the last generations of people who still care about the clearances...the important thing for the trust is keeping those memories and the importance of it alive, and by owning Rosal"

(Community case study interviewee 2)

Community case study interviewees expressed a fear that, if they did not acquire the land, it could be sold to private owners who held no connection to it and did not realise its significance to the community.

"...there is that concern that it will be sold to someone with lots of money, who isn't interested in the local area really. It might be sold off in blocks, who knows what will happen. Wind turbines go up or something"

(Community case study interviewee 2)

"If the whole lot was to go on offer, as a private purchase, and they just saw it as piece of ground to do whatever with...They need to know what happened up here. And, if it did go out to say private purchase, I'm not saying they wouldn't do the right thing, but they wouldn't really be interested in its historical element. It would just be a piece of ground"

(Community case study interviewee 3)

To provide and have control over local socio-economic opportunity

Community case study interviewees stated that another motivation for pursuing ownership of the land (and any other assets in general within their region) was to have control over the socio-economic development of the community.

"I think it's control that it comes down to. If you own the land then you can have control over what happens to it. And there is a strong desire as well, populations declining, and the only way to reverse that is by attracting people in...it's providing those opportunities, housing, employment where you can"

(Community case study interviewee 1)

In particular, it was felt that the community could utilise the land to create employment and educational opportunities for residents.

"...there will be an opportunity for a job, for somebody. And there will be an opportunity, hopefully, an opportunity for learning. Teaching...it would be nice to see the local children being taken up there with their schools"

(Community case study interviewee 4)

KE participants identified the need in rural areas for land for affordable housing, the need for "assets for tourists to create industry and economic impacts", and the need for more spaces to create community hubs for people to meet as three key motivations for seeking to acquire public authority land and buildings. The rural case study asset is close to the North Coast 500 tourist route, offering opportunities to attract tourists from around the world.

Interviewees felt that public authorities were sometimes not maintaining assets or making best use of them.

"I would say the majority of [asset transfers] are probably where the community is being proactive in seeking to purchase, but their driver can often be because the public sector owner is perhaps not as invested in the asset as they might have been previously"

(National support organisation interviewee 1)

Therefore, rural communities were often motivated to approach the public authority to see if they would be willing to transfer so they could best utilise the asset for their own local development.

To save a facility or service due to threat of losing it

A common theme throughout our research was that asset transfers in rural communities may be the only way to save a vital community asset from closure or sale. Participants at the Scottish KE event stated that "threat" and "loss" was often a key driver for rural communities trying to acquire assets from public authorities, as stated by one participant: "...it's often not about choice but being forced to take things into our own hands to prevent closure of services". This was also emphasised by a national support organisation interviewee who stated:

"...there will be some [situations] where communities are just stepping up because the asset's under threat because the public owner isn't looking to continue with that asset provision or that service delivery"

Many interviewees and KE participants made the point that, while in urban areas services and facilities might be pared down due to public sector cuts, in a rural context it often means that services are completely withdrawn so there are no accessible services left at all.

"I think because often that one facility that [the community] would like to take on can be the only asset of its type in that community and they have no other option... Whereas in some of the other larger towns and cities there can be other alternatives that they can access"

(Local authority interviewee 1)

"...from a community ownership perspective, our experience is that rural communities are much more likely to engage in owning assets than urban communities, and often it's just because there's fewer assets...they're critical assets, whereas in urban areas, if one shop closes, there's a shop on the next street"

(National support organisation interviewee 1)

With key services, such as schools, shops and post offices being based in larger towns and cities, such closures were seen by many to be driving populations out of rural settlements.

4.2 Motivations for public authorities to transfer assets to communities

For communities to make better use of assets

Public authority interviewees all reported that they were proactive in offering communities the option of acquiring assets if they felt that the community could make better use of the land or buildings.

"...communities tend to have that local knowledge and vested interest in making something work... They have a very close eye on how they can maximise the use of the building. They're looking at how it serves the needs of the community... that is not something a local authority is necessarily set up to do, or can do, under the current climate"

(Local council interviewee 2)

It was felt by some public authority interviewees that offering assets to communities was particularly important to support community groups and organisations in their work to ensure the survival and sustainability of rural areas.

"...as a council we're stretched in terms of resources and what we can provide, and we see those community bodies being key to making those communities survive... for us it's not about bringing in money, it's not about being able to losing a valuable asset, it is about making sure that we maintain what we already have in terms of community groups and the services that communities provide"

(Local council interviewee 3)

Overall, public authority respondents were clear that they only transferred assets in the 'spirit' of actual community empowerment, and that the best interests of communities came before their own financial gain. Nonetheless, this did not always match the perceptions of other interviewees, as discussed further in the key barriers section below.

To free up public authority resources and capacity

Public authority interviewees stated that another key driver to transfer assets to communities was to free up their resources through allowing communities to deliver their own services and facilities.

"It's the whole ethos of community empowerment. If the community does more for itself then there's less reliance on the council, so there's less dependency. Which frees up council assets and resources to concentrate on other areas where the community is unable to address or help"

(Local authority interviewee 1)

It was felt by many public authority interviewees that community asset transfer was a useful mechanism through which communities could identify services and facilities that they felt they could deliver instead of, and/or better than, local councils.

4.3 Key barriers for rural community engagement in asset acquisition processes

Capacity of rural community groups

A key barrier to community asset acquisition reported by interviewees and KE participants was a lack of capacity in rural communities, especially as a result of having smaller population sizes.

"...the challenge that would face a rural community as opposed to an urban can just be numbers and bodies on the ground. There needs to be a small number of very committed, knowledgeable local people there to kind of stay the course on community asset transfer. And if you live in a sparsely populated rural area, then your body count is just lower, so it can sometimes be harder to get enough people involved to make it sustainable"

(Local council interviewee 2)

This was a prominent topic in the Scotland KE event, where participants stated that it was "very difficult to find volunteers" and that "there are often a small number of people working very long hours".

Interviewees and KE participants reported that rural community members often wear "multiple hats", meaning that they are involved in multiple projects and are members of many different community groups. They are therefore often spread thinly and overburdened, and can sometimes have conflicting community roles.

"...the challenge that groups face are more so capacity and getting volunteers to do it...because there's all sorts of other projects, everyone's already on two committees and they've got X, Y and Z going on"

(National support organisation interviewee 2)

This was felt to lead to challenges in finding individuals with the capacity to lead an asset acquisition project, and also meant that there might be "potential for competition between community groups in terms of funding, space, volunteers, resources, and time" (KE participant).

Challenges related to succession and sustainability

Related to issues around rural community capacity to engage in asset acquisition processes, the sustainability of projects was seen as a major challenge. This was felt to be especially pertinent in rural areas with a predominantly ageing demographic, and with high levels of outmigration of young people.

"There is quite often a worry that there's people carrying on who don't really want to carry on. And I think that is a big issue because there's no one else to pick it up"

(National support organisation interviewee 2)

Succession was an important theme of the Scottish KE event, with participants stating that "succession may be problematic if only a few people are involved and if people have either moved on or disengaged". One rural community leader from the KE event further stated that, as a result of volunteer fatigue and the stresses of belonging to multiple community organisations, "...nobody really wants my job, nobody wants to take the lead. So that is a cause of major concern because I won't live forever".

One of the key challenges of engaging in a process of community asset acquisition was felt by KE participants to be the ability to demonstrate succession and sustainability to public authorities and funders. This was in terms of having enough people to fill committees and boards and to be able to show long-term planning and future proofing of asset acquisition projects.

Challenges related to community engagement and participation

Participants at the Scottish KE event made the point that, with smaller and more dispersed populations in rural areas, it can often be *“logistically difficult to contact people from across rural communities to get them interested and invested in assets”*, especially if they have poor digital connections. KE participants also reported that consulting with the wider community about an asset acquisition can sometimes be a *“chicken and egg”* situation, as it can be difficult to gather community members together when there aren't suitable central spaces in which to meet- especially when the key reason for an asset acquisition may be for the creation of such spaces.

KE participants also reported that not all rural communities are cohesive or united when it comes to asset transfer.

“A lot of people are happy for us to get on with it without much involvement, others are far more engaged, then there will be a small amount who are fully committed, and a small amount who are actively against”

(KE participant)

Some KE participants also stated that it can be particularly challenging to garner community-wide support for projects that are only for specific communities of interest, rather than geography (e.g. sports groups, age related groups).

Lack of skills and knowledge in rural communities

Related to community capacity and smaller and ageing populations, a key challenge for rural communities was a lack of the local knowledge and expertise required to understand both public authority processes and Scottish legislation.

“I think that the first barrier the community group would face and most community groups would be a realisation of that and knowing where to go for help so they can distil it down a wee bit”

(Scottish Government policy interviewee)

While some rural community groups included skilled and knowledgeable professionals, interviewees still recognised complexities of the formal legislative process, as stated by one public authority interviewee: *“...even though there's doctors, retired doctors and retired businesspeople, they don't know the language of government”*.

While some interviewees considered geographic-based larger development trusts and other place-based community organisations to have a greater awareness of the legislation and mechanisms for asset transfer, communities of interest were generally reported to have a lower level of understanding.

“The community asset transfer process is open to communities of interest but I think the understanding from them is generally a bit lower in terms of what their rights are. They know there's a process there but they don't know what the process looks like and how they can access it”

(National support organisation interviewee 1)

It was felt by rural communities and key stakeholder interviewees that, even where organisations did understand the process, a reliance on small pools of volunteers limited their capacity to effectively engage. For example, they sometimes lacked the skills on their board to write funding applications, or had too few board members to meet the criteria for a formal asset transfer application.

With this in mind, many public authority and national support organisation interviewees felt that it was essential for communities to build their understanding of the process before entering an asset acquisition process. This included suggestions to engage both with support organisations to understand the implications of what they are embarking on, and with the public authority to understand exactly what assets are available and what the public authority process entails.

Public authority process and practice

Despite the 2015 Act raising awareness of asset transfers, we found that some authorities are still reluctant to engage in, or even meaningfully consider, asset transfer requests, for a number of reasons. Firstly, a fundamental barrier to transferring assets was reported by public authorities to be a lack of appropriate surplus assets available to transfer. This was often due to assets already being in use for providing services which the councils have the responsibility to deliver.

"The biggest issue is that we use most of the things we have...if they don't have a purpose we generally try to sell them to raise money for more council services. So, there isn't a lot of stuff out there and the kind of things people are asking for are things that are small little parcels of land that have really not got very much value in them at all"

(Local council interviewee 3).

While some council interviewees stated that they were generally willing to transfer assets already in use, it was acknowledged that this often required some additional considerations prior to the transfer, which could delay or complicate the process of acquisition.

Secondly, some assets were considered inappropriate for the ownership of just one community organisation due to their significance to the wider regional population.

"There's some assets that are national assets and regional assets, and whilst I'm very supportive of community ownership, I do think public sector ownership of certain assets is right, if the reach and the benefits of that asset is broader than the immediate geographic community"

(National support organisation interviewee 1)

Thus, while public authorities did all recognise the potential benefit of community asset transfer, they highlighted that there may sometimes be a case for retaining the asset in public ownership. Similarly, there may be a case for selling it to another buyer. For example, where a public authority has a remit for regional development, it may choose to sell an asset to a large employer in order to maximise local economic impact, as opposed to a community group which would not offer the same opportunities, depending on the proposed ongoing usage.

"...the public body has to compare the intended use by the community against the existing or the future use of the asset... we have to look at long-term, broader social and economic outcomes, and it's all judgement based. That's where it's quite difficult... I can totally empathise with some public authorities that do struggle with asset transfer, because they've got competing interests and demands as well"

(National support organisation interviewee 1)

Some relevant authorities have specific community empowerment officers, and teams with various expertise including legal, finance, planning, valuation and community engagement. Nonetheless, our research found that levels of engagement with community asset transfers and the 2015 Act continue to be variable across authorities, mostly as a result of limited capacity and resources. As stated by one public authority interviewee, authorities may not have a public-facing function, and asset transfer may not be a significant portion of anyone's role:

"...everything costs money, officer time is limited, we are under pressure all of the time for people to deliver their continual duties, doing assets isn't the only thing I do. I think the biggest thing is resource...that all costs money and there is no budget to do any of that, there is no money set aside or earmarked to do [asset transfers]"

(Local council interviewee 3)

Public authority interviewees also reported a reduction in staffing across councils, which had significantly impacted on specific departments and led to some work being outsourced, such as legal services.

"There has not been enough resource inside the council to do all the work that's required. So, we've had to outsource some of that. In many cases, even after the approval is in place, it's taking a long time to get the transfer done"

(Local council interviewee 1).

A theme emerging from the KE event was that "authorities don't always have the resource to ensure sufficient staff are trained to understand the legislation" and there can be gaps in training within local authorities on how to support communities through the process. KE participants also felt that authorities often misunderstood or misinterpreted the legislation, stating that "they often make things up", meaning that procedures were often not

followed correctly, leading to delays in processing applications. However, the public authorities that we interviewed stated that they are continually ensuring that staff are aware and trained in the process of asset transfer in order that they can provide support or guidance to community groups. Some public authority interviewees also stated that, where they could not provide support themselves, they would signpost communities to others outside of their departments.

“...some of the groups that are coming forward are needing a bit of further support...we have a communities development team who I quite often pull in to support the group to get them into a position to be able to take on what they’re planning to do”

(Local council interviewee 3)

Therefore, there was a tension and potential disconnect between the experiences and perceptions of rural community members and public authorities working in this area.

Public authority culture

Although our public authority interviewees reported that their organisations were generally supportive of community asset transfers, other interviewees reported this not to be the case across all public authorities. KE participants stated that it can be a “postcode lottery”, with communities having entirely different experiences in terms of the level of support that they receive based on the authority that owns the asset. Some KE participants reported that they had not even been able to open communications about a potential asset transfer, with the council “flat out refusing” to engage in any conversation or negotiation from the outset, while others had been “actively resistant to Community Empowerment legislation and consider it optional”. KE participants also noted that some public authorities may need educating or reminding of their duties:

“[the authority] should be reminded that it’s their duty to sell off something that may become a liability instead of an asset, but they don’t always see it like that”.

Some professional stakeholders and KE participants attributed reluctance to transfer assets to a degree of “intransigence” within relevant authorities and to what were felt to be insufficient regulation and accountability mechanisms. As one professional stakeholder put it, “they [relevant authorities] don’t want to engage, there’s no one making them engage”, while the return rate with respect to reporting duties “is pretty poor, and there’s a lot of chasing up. So, there’s an awful lot of organisations just aren’t engaging at all”. Others noted that, whilst legal duties to provide an Annual Report on Asset Transfers might be complied with, the quality of compliance was poor, noting that it can be difficult to find the reports and the website sections where authorities have published their registers of relevant land.

Other concerns related to the quality of Annual Reports, and particularly that authorities only engage in cursory promotion of asset transfers. As the policy interviewee put it, few authorities are “out in town halls speaking to people or publishing lists to say, look, you know, have you an interest in this, please get in touch and maybe we can get talking about it”. Some authority respondents who felt they did comply sufficiently with their legal reporting duties nevertheless acknowledged that their approach to asset transfer was more reactive than proactive. Our participants considered that further options to improve accountability could be explored, as well as raising awareness of existing accountability mechanisms.

Some public authority interviewees reported that, even with a legislative duty on all public authorities to consider all asset transfer requests, some individual officers within authorities could be against the idea community ownership.

“...it can be down to the culture of the organisation or some of the individuals dealing with it in the organisation are just not open to the idea of community ownership. They think that public assets should be owned by the state and looked after by the estate, and that that benefit should be there for everyone and not for the individual community”

(National support organisation interviewee 1)

It was also stated by interviewees that some public authorities had been known to reject a request on the basis that they didn't feel the community organisation was capable of effectively managing the requested asset.

"It's a mixture of a lack of trust in community bodies and a lack of holistic management to actually want to empower communities... I honestly believe that there are officers who simply don't trust community groups or who are trying to milk community groups if they've obtained significant funds or who are deliberately obstructive"

(Local authority interviewee 2)

Further, as stated by the same interviewee, community organisations, such as social enterprises, could actually threaten and *"undermine a council's position by showing that the third sector can deliver a service more effectively than a council can."*

In circumstances where public authorities did not favour full ownership of assets by communities, some authorities were reported by interviewees only to offer leases, which was often not what community groups wanted.

"Some public bodies just won't entertain ownership at all...certainly central belt, speaking to colleagues there it's just not an option...they will give long term leases in some cases but it's not really an option"

(National support organisation interviewee 2)

This was also highlighted by KE participants, who stated that some public authorities would not even discuss ownership, only offering lease agreements. KE participants reported that short leases can be particularly detrimental as they *"may prevent the community from getting sufficient funding without guaranteed longevity of lease"* (KE participant) and can also make communities feel *"insecure"*.

There was, however, considerable agreement across research participants that an initial lease arrangement, with the option for full ownership further down the line, could be a tactical strategy for communities. As one national support organisation interviewee put it:

"What often works really well is where a community might lease something with a view to owning it, so it's almost like try it out and see, and that can be particularly helpful for communities that perhaps haven't got much capacity, or a new group that haven't tested their own tenacity and their own stamina and determination"

The complexity of the process

Across all our groups of respondents it was felt that formal processes of asset acquisition were often unnecessarily complex. The complexity of legislative process was seen as particularly challenging for rural community groups, which often rely on the commitment of small pools of volunteers who may not always have the required capacity or skills.

"The community asset transfer process is complex, community right to buy process is complex, and I think groups really struggle to work through that... the sheer time it takes to get through those is a big barrier as well...I've had quite a few groups who have been through the review and appeal process and while it's great to have those processes they are extremely lengthy particularly if you end up going through both. It's that time commitment, it's that energy commitment and it's keeping on top of everything you need to do at each stage"

(National support organisation interviewee 2)

This was also reflected by public authority interviewees, who variously considered the formal processes under the Act to be *"very bureaucratic, it takes a huge amount of officer time"*, *"resource intensive"*, and *"clumsy and cumbersome"*.

Participants at the KE event reported that public authority processes, in particular, can be *"chaotic"* and *"challenging"* with *"bureaucracy being a key issue"*. One participant expressed the view that *"writing a complaint about the process would be just as time consuming, so the community may be better off getting on with the project"*.

It was also felt that public authority processes were not always proportionate to the size or condition of the asset, or the type of ownership the community is seeking. A Scottish Government representative reiterated this point, stating:

"It's a small straightforward asset, why on earth are you [the public authority] putting them through every single hoop for five-year, ten-year business plans and huge accounting sheets, give them the blooming asset...just make it proportionate"

Some respondents identified determining “best value” as a complex part of the process and reported that, despite the guidance available, this can be challenging for communities and authorities alike. Some of our interviewees suggested that calculating potential financial savings and other social impact outcomes can be particularly complex for community groups. Nonetheless, some interviewees specifically wished to stress that the authority having “to compare the intended use by the community against the existing or the future use of the asset” (National support organisation interviewee 2) was a positive and important part of the legislative process. This was not an area where our respondents suggested legislative change, but there was a view that clarity and accessibility of guidance is important here, and that it would be helpful for this guidance to include further examples and case studies.

Our evidence did demonstrate a perception from authorities and professional stakeholders that the asset transfer procedures introduced by the 2015 Act are more complex, more burdensome on communities and authorities, and more time-consuming than the range of policies and procedures which existed in authorities before the Act came into force, and which are still in use in some authorities. With this in mind, some public authority interviewees stated that they offered their own informal process, which involved initial informal engagement and negotiation before (or instead of) entering any formal route through the Act. As one public authority interviewee put it: “...most of our requests come informally through a process we’ve got as an expression of interest”. This initial step was perceived as important for assessing the eligibility of the group, the feasibility of the requested asset, whether a lease arrangement may be more appropriate, and any further development needs. It was reported by one public authority interviewee that communities tended to prefer this process, and it had actually decreased the number of formal applications they were receiving through the legislative route.

“...an informal process seems to be working much better for community groups and much better for ourselves. It doesn’t necessarily take any less time, but it does make it easier for the groups, they don’t have to do so much work, they don’t have to create so much bureaucracy around about making the case, we can support them with that case, taking that case forward”

(Local council interviewee 3)

This juxtaposition between informal and formal, and different perspectives on how “formal”, “bureaucratic” and “demanding” the requirements of the legislation and related guidance are, seemed to be driving individual authority practices. As one national support organisation interviewee put it: “A lot of it’s being done through less formal arrangements and not through legislation...”. A public authority interviewee explained:

“...we don’t get the [formal] asset transfer requests anymore, partly I think because we are being much more open and supportive to the expressions of interest that the people don’t feel the need to [use the Act]”.

Nonetheless, the more ‘stringent’ formal process was accepted by some research participants to be beneficial in terms of preventing problems further down the line, including with respect to the longer-term sustainability of the asset.

“If it were too easy to do asset transfers then I would foresee the complications that might follow with people or organisations not having done sufficient groundwork to actually sustain whatever asset they’ve acquired... it’s formalising that and giving groups the confidence that they’re going through the right steps and the right processes”

(Community case study interviewee 1)

¹⁰ <https://cwmpas.coop/what-we-do/services/community-shares-scotland/>

Timescales and deadlines

A key barrier reported by KE participants was the length of time that an asset acquisition process can take, which was seen as sometimes “ridiculous” and a “long hard trek of a journey”. In particular, it was felt by many that councils “drag their heels”, extending timescales and being slow to respond.

Within the legislative process of asset transfer, public authorities and community groups are given specific timescales to submit, respond and appeal, therefore a concern for many community groups was the danger of non-compliance by public authorities or an inability to keep to timescales themselves. As stated by one national support organisation interviewee: “...there’s always a kind of risk that you can get kicked out of the system if you don’t comply with those timescales, keeping to what you’re doing.”

While public authorities allow a six-month period to consider a community asset transfer request, national support organisation interviewees stated that there are means through which, against legislative guidance, they can stall this process.

“When an asset transfer request is received there’s a letter which goes out and effectively that starts the formal part of the legislation. It’s really important, it sets the decision date as well. And relevant authorities often stall on that so they don’t issue it for perhaps three or four months, in some cases up to a year...they know that starts the clock ticking on them making their decision. To my mind the guidance is pretty clear that they shouldn’t do that”

(National support organisation interviewee 2)

One national support organisation interviewee pointed to the short window that a buyer has to pursue an appeal against a denial or specific conditions applied by the seller as a further challenge for community groups. These were considered to be unintended impacts of the legislation which should be addressed by policymakers:

“...there are some huge barriers that weren’t really thought of when the legislation was designed...I’ve had two groups in the last couple of years who have got to the point where they’ve had their asset transfer approved, but the terms and conditions they applied as part of that are unacceptable to them. So, at that point they have 20 working days to either negotiate that with the relevant authority or decide whether they want to appeal. In one of those instances neither party wanted those terms and conditions, they were imposed by a central legal authority and what actually happened was the community group had to appeal otherwise they would have lost any leverage they had. So, they ended up appealing and actually the relevant authority didn’t want them to appeal, they wanted to have some time to negotiate but they just weren’t within that space”

(National support organisation interviewee 2)

Further, KE participants reported that in some cases where members of authority staff had left or moved departments, communities either had to start processes again, faced delays, or experienced a lack of continuity in the process.

Interviewees and KE participants noted that some improvements to the process for asset transfers could be made quite straightforwardly through amending regulations and/or guidance, without the need for additional primary legislation. This includes timescales for reviews and appeals, particularly the need to introduce stricter time limits for various processes, and timescales under the Act more generally that were seen to disadvantage communities as against authorities.

4.4 Key facilitators for engagement in asset acquisition processes

When asked about key facilitators for rural community asset acquisition, interviewees and KE participants spoke both about what already exists, and also about what they felt would help improve processes.

The capacity and knowledge of community groups

Public authority and key stakeholder interviewees emphasised that, in order for communities to navigate an asset acquisition, they must fundamentally have a good understanding of the dynamics of the formal legislative process. In addition, interviewees stated that it is beneficial for communities to have personal knowledge and connections to external individuals and organisations who can help the process through providing guidance and information.

Participants highlighted the inherent culture of self-help and perseverance in many rural communities. Describing one rural community, one public authority interviewee said: *“the people there are massively self-reliant, very professional... Understood what it was they were getting into and had taken the right advice and hadn't relied upon being spoon fed anything at all”*. This willingness to self-organise was occasionally contrasted with urban communities that might be used to receiving more abundant public services.

“We have some communities who are a good travel distance away from the main service centre...there is certainly more of a culture of self-reliance and doing things for yourself and in rural areas, there's not an expectation that there's a big public sector body on your doorstep who can offer that level of support or comfort”

(Local council interviewee 2)

It was also recognised that rural communities, especially island communities, in Scotland had been taking ownership of land and assets for a long time, even pre-legislation.

“...islands are used to taking responsibility for things and managing much more things on their own and there isn't a strong presence of anyone else there except for community groups, so they've been championing for a long time, even before the legislation came into place on asset ownership”

(Local council interviewee 3)

Participants at the KE event highlighted the importance of *“shared learning across communities”*, allowing those newer to asset acquisition to benefit from the knowledge developed by groups and organisations who have been through the process already.

Legislation and policy guidance

The Community Empowerment Act 2015 (Part 5 Asset Transfer) was widely reported by rural communities and public authorities to have increased awareness of community asset transfer and given community groups improved rights – including the right of appeal and for decisions to be made in specific timeframes. Groups felt encouraged to pursue asset transfers through the official mechanisms, and interviewees specifically reported improved relationships between community groups and public authorities through the greater transparency that came with duties being placed on authorities and processes being standardised across the country.

“I think the real benefit of The Community Empowerment Act isn't the Act itself, isn't the formal process, it's the change it has made and the relationships between councils and communities and how they speak to each other”

(Public Authority Interviewee)

“I think the whole basis behind The Community Empowerment Act was that community voices are heard then people are listened to, that their requests are taken seriously and taken forward and I believe that that perhaps wasn't the case in the past”

(Local Authority Interviewee 3)

The was reported by interviewees to have led to an increase in community asset transfer requests to public authorities, most of which had been successful.

“[Part 5 of the 2015 Act] has really significantly changed the work that we're doing...prior to asset transfer coming in, communities were purchasing assets from public bodies, but not in the same volume as they are today”

(National support organisation interviewee 2)

"I would say that most of the community groups would use the Act and I think they do that because it gives them a stronger lever and especially when it comes to decision making and getting things done on time...In six years, only 9% of asset transfers using the legislation have been refused or rejected so most of them, the vast majority are being accepted and to me that that's a good indicator of how successful a policy it is"

(Scottish Government policy interviewee)

Whilst informal approaches to asset transfer outwith the Act were reported to be common, the Act was perceived to be more likely to be used where there is friction or disagreement between a community and a relevant authority, and in other contexts where the power imbalance between community and authority comes to the fore. Formal asset transfer requests were also said by interviewees to be more common where the community is concerned that the authority wishes to transfer the asset elsewhere, if the community feel the price being proposed to them is too high, or where they feel that the community benefit offered warrants a more significant discount.

Having primary legislation in place was perceived by public authority interviewees to have strengthened their motivation for allocating resources to asset transfer processes and community empowerment more generally.

"...councils now realise how limited their funds are and that if they want to promote community development, whether it's rural or urban, then actually empowerment through asset acquisition can be a useful vehicle for so doing because their own resources to do that are so incredibly limited"

(Public authority interviewee 1)

Public funding

The Scottish Land Fund (SLF) is funded by the Scottish Government and managed by a partnership between Highlands and Islands Enterprise and The National Lottery Community Fund. It provides 'Stage 1' funding to support community groups in developing proposals for the acquisition, followed by a 'Stage 2' grant of up to 95% of the value of an asset and some limited revenue support. As stated by national support organisation interviewees, if a community group can negotiate a discount with the seller, this can contribute towards the remaining 5%, or indeed reduce the amount of funding being

requested from the SLF. The SLF only covers funding for communities of place (as was required through Community Right to Buy legislation), and does not cover communities of interest, which are eligible within the Community Empowerment Act legislation on Asset Transfer.

Our research participants considered the fund fundamental to the expansion of community ownership in Scotland. It was also viewed as one of the main differences between the UK nations, including by one stakeholder with a UK-wide remit:

"Having the Scottish Land Fund alongside the legislation was completely necessary. So, legislation on its own, without advice and without funding is not enough. For example, we know that a lot of pub groups in England, even when they've nominated their pubs in ACV [Assets of Community Value], they struggle to acquire the asset"

(UK National support organisation interviewee)

Nonetheless, some community case study interviewees expressed frustration that so many community groups were having to put in so much effort, and apply for so much money, for funds to be simply transferred from one public body to another. Moreover, in the case of the Highland Clearances area of Rosal, the community were frustrated that they had to apply for funding to purchase the land when in theory the community was seeking to take back land belonging to them.

Interviewees reported that SLF also provides post-acquisition support in the form of revenue for the undertaking of immediate maintenance requirements. The ability to access funding for such repairs allows communities to acquire assets for a relatively low cost in the knowledge that they can refurbish them post-acquisition.

"They have the kind of the comfort of knowing that if the Council gives them the keys to the building and it becomes theirs, they've got a six-figure grant in the bank that will pay for the initial investment works and not make this a liability going forward"

(Public authority interviewee 2)

Nonetheless, a number of interviewees expressed concern that, despite increases in overall SLF budgets, there were still occasions where there were not enough funds to go around all applicants, and that some groups would lose out.

National support organisation interviewees stated that the UK Government's Community Ownership Fund (COF) was also useful as it is available to communities of interest as well as communities of place in Scotland, thus filling a gap that the SLF does not cover. While the COF only offers 50% match funding, interviewees stated that the SLF could effectively be used to fund the other 50%, and therefore the two funds worked well in tandem.

Public authority support and facilitation

Public authority interviewees emphasised the importance of building good relationships with community groups to help facilitate the asset transfer process, particularly where previous bad experiences may have resulted in a lack of trust.

"...building trust with community groups is a big thing because we do get quite a lot of things that have come partly through people's experience of the council through things like planning. They've had issues or difficulties because of planning legislation and seeing the council being obstructive...then when it comes to talk about assets we're still painted with that brush, although we're very supportive, we want to work together, there is no trust and confidence for that to happen and that sometimes takes a bit of time to work to keep people on board"

(Local council interviewee 3)

Further, all public authority interviewees stated that, where possible, they would support communities to develop assets, whether through renovation, refurbishment or redevelopment. One of the council interviewees stated that, where possible, they would commit to undertaking necessary renovations to 'surplus' assets before transferring them to communities:

"...a large part of the reason that buildings become surplus to requirements is because we've got no use for them....The council doesn't spend a lot of money on them, so they fall into disrepair and then it becomes a liability for the Council...but then a liability for the community group as well...So we try to bring some common ground where we can say 'if you're prepared to take this on long term through a very long term lease or through full ownership we can invest X in this facility to bring it up to a reasonable standard'"

This sense of shared responsibility was felt to be due to an overarching aim shared by both the public authority and the community group to improve the local area. Towards this goal, public authorities also reported that they may provide ongoing post-acquisition support including advice, connecting groups through a form of peer support and networking, and providing a small budget for costs, including repairs, legal costs and technical surveys, in order to further incentivise asset transfer.

Support organisations

The role of support organisations was seen as 'invaluable' in facilitating asset transfers, and the support eco-system in Scotland was highly praised in terms of its comprehensive offering. Support was reported to be available from a range of providers, including both public and third sector entities who often worked together in partnership. As one national support organisation interviewee put it:

"Scotland is miles ahead of the game on a lot of this. It has a very well supported structure for the third sector more generally with interfaces and other organisations there are lots of intermediary organisations"

Another professional stakeholder referred to, "...a well-supported sector in terms of the amount of intermediaries and the support that's available". As a public authority interviewee put it, "...working with other agencies all of that stuff is working, it does make it easier to take these projects forward, to give the groups their support and help that they need".

Interviewees reported that organisations had provided support for community groups with: funding applications, including to the SLF and COF; all aspects of the asset transfer process; mentoring and professional advice; post-acquisition issues and capacity development; and external facilitation at events to encourage broader community support. In addition, organisations provided support for public sector organisations to help them understand the asset transfer process, and financial and legal advice to encourage greater public authority participation in asset transfer.

While views of the support landscape were predominantly positive, the view was expressed that this could make it somewhat difficult to navigate: "the support landscape is so complicated!" (KE participant). One case study respondent identified a need for signposting to help communities identify the most appropriate organisation for their purposes.

4.5 Impacts of asset acquisition processes on the empowerment, resilience and wellbeing of rural communities

Empowerment

Rural communities taking control, either of an asset specifically or of their own development more broadly, was considered to be empowering.

“Asset acquisition can empower in the sense that you take on the asset, there’s a sense of pride there, a sense of doing it for yourself. And fundamentally that’s what empowerment is about, it’s about local control”

(National support organisation interviewee 1)

Public authority interviewees understood empowerment in terms of facilitating a culture of self-reliance in rural communities, with less expectation that public authorities will do things. They recognised that communities often know how to make things work for themselves, and that well-established community groups are well-placed to facilitate this process. This was reiterated by the policy interviewee who also acknowledged that communities might be better at managing assets than public authorities themselves, making it important for policy to facilitate such efforts.

Some interviewees acknowledged that it may be easier for more affluent rural communities to take control of assets and become empowered, and therefore that active efforts were needed to ensure that the community assets movement doesn’t miss less affluent communities out.

“...in terms of the rural aspect, we often think it’s affluent retired people who are in control. There can be really poor areas in rural locales throughout the country and people really, really struggling and feeling really isolated but that doesn’t mean to say that they shouldn’t take on and run assets”

(Scottish Government Policy interviewee)

The concept of community ownership, and having the formal processes and funding available for community groups to pursue an asset transfer, was considered by community case study interviewees to be empowering in itself. Further, community case study interviewees reported that hearing about other applications being successful, and that the effort put into developing them had not been in vain, had also been empowering.

Within the case study there were references to feelings of disempowerment related to negative connotations of the Highland Clearances, and the poignancy of now owning this asset, which had given the community confidence that they could make decisions locally about how the land is used.

“It gives you a certain strength [to say] this is my place and not to be pushed around...I think, it gives you that sense of, hopefully, confidence”

(Community case study interviewee 1)

“I think the whole idea, of bringing it into community ownership is very empowering...when we own the land, we don’t really need to ask anyone. We can just get on and do it. I think that is really empowering for the whole community”

(Community case study interviewee 3)

One public authority interviewee noted that the process of a community coming together to form a group to pursue an asset transfer can often result in a more cohesive and empowered local group working together towards a common purpose. However, some national support organisation interviewees felt that where projects fail to acquire the desired asset there is the risk of that all involved feel disempowered and may be reluctant to pursue another project in an area.

“Getting into the process, putting together a good community asset transfer application has a good chance of success and then to have it rejected is incredibly disempowering. They think ‘if we can’t even get this quite often very small, very straightforward project which you would think people would support...’ and it crushes people’s spirit”

(National support organisation interviewee 1)

Resilience

Interviewees and KE participants reported that rural areas can become less resilient when they lose vital assets and services, which can have wide reaching negative impacts. In the KE event, the need to take on assets for the wider resilience of rural communities was discussed, with one participant stating: *“[it is] often not a choice but being forced to take things into our own hands to prevent the closure of services”*, and another summing this up as: *“use it or lose it”*.

Some interviewees noted that, while assets can often be worth a lot less money in rural than in urban areas, transferring them to communities, rather than closing them, can play a big part in future community resilience. For example, by providing facilities and services to the community in times of emergency, such as the COVID pandemic.

"I think COVID did show people how resilient [rural communities] are...little village halls and things like that...they are quite vulnerable [to closure], we've realised in terms of our resilience, you know, if we lost them lots of communities would struggle far more and it would be difficult to replace"

(Public authority interviewee 3)

Public authority interviewees highlighted that the ongoing resilience of community organisations could often depend on strong governance and robust succession plans to ensure that groups were not reliant on a few individuals, especially when those individuals are often elderly retirees. KE participants similarly identified that succession planning might be problematic if people leave a community or are disengaged, and that it can be difficult to get young people involved. KE participants identified ongoing costs associated with assets as a further challenge for community resilience, specifically the costs of the ongoing maintenance that assets may require after acquisition.

Wellbeing

The impact of an asset transfer on a community's wellbeing was seen by some interviewees to be dependent on the nature of the asset acquired. For example, where a community asset is taken on to deliver services to reduce isolation or build new community connections, community members may experience an improvement in their wellbeing due to increased opportunities for social contact.

In the KE event, participants talked about the "rippling effects" of asset acquisition on the wellbeing of those involved in the process, for example through keeping the minds of older people active. In contrast, however, the demands of working on the asset transfer application was stated by community case study interviewees to have had a detrimental effect on the wellbeing of volunteers.

"...funding applications [to purchase the asset] have been detrimental to my wellbeing...they're just such a laborious process....my wellbeing did suffer...and I was doing it as a volunteer...I volunteered to do it. I didn't realise that it was going to take so much of my time. And I was disheartened, I was frustrated, yeah"

(Community case study interviewee 4)

This was seen to be magnified in rural communities due to the smaller numbers of volunteers typically involved.

"If you are in a small rural community where there's a group of four or five well-meaning enthusiastic people who have some knowledge and skills, that's your group. And there's a lot of reliance on that group to deliver a project on behalf of the community. So, I would imagine that it could take a toll on people's mental and physical wellbeing... Whereas if you were in a larger community with a bigger population and potentially a bigger pool to pick from, there's maybe more people to share the load"

(Public authority interviewee 2)



Conclusion and recommendations

5. Conclusion and recommendations

This study aimed to understand the impacts of processes of asset acquisition on the empowerment, resilience and wellbeing of rural communities in Scotland. We sought to explore the key barriers and facilitators to rural community asset acquisition at a community, practitioner and policy level, and what support was required to enable best practice.

In summary, our findings showed a number of barriers to rural community asset acquisition in Scotland, most notably a lack of capacity within rural communities, related to smaller populations and therefore limited pools of volunteers. Succession planning was found to be challenging for rural communities, due to ageing populations and the outmigration of youth, which proved problematic when trying to demonstrate the future sustainability of projects in asset acquisition applications. Further, rural communities were often found to have a lack of specific skills and knowledge required to navigate formal asset acquisition processes. However, this could be mitigated to some extent by rural communities sharing experience and knowledge, particularly to help those with less experience gain a better understanding of the dynamics of the formal legislative process.

Despite the 2015 Community Empowerment Act having raised awareness and standardised practice across authorities, our interviewees reported inconsistencies across authorities, depending on interpretation and understandings of the legislation, and their willingness to comply. Most notably, communities felt like support for asset acquisition from public authorities could be a 'postcode lottery', with some fully embedding and supporting community ownership (and empowerment more broadly), and others less so. Nevertheless, public authority interviewees did demonstrate support for the legislation in terms of partnership working with communities, and shared goals for local development.

While our findings show that legislation has generally led to greater community rights, and improved communication and transparency between rural communities and public authorities, formal processes were still found to be somewhat

complex, timely and resource intensive. Nonetheless, such stringent measures were recognised by some as being beneficial for preventing future problems with respect to the long-term sustainability of assets.

Our research specifically highlighted the Scottish Land Fund as being 'fundamental' to the expansion of community ownership across Scotland; an important finding given that there is no equivalent to this in any other UK nation. Further, our research showed the 'invaluable' role of the Scottish support ecosystem for community asset acquisition, in particular the role of the third sector and intermediary organisations.

Considering the presented evidence, we provide the following recommendations:

- Recognising that the acquisition of assets by rural communities can often be driven by the threat of losing vital services or key historical assets, rather than positive choice, it is important that community groups are supported to understand and navigate what can be a complex and burdensome set of formal processes. In particular, our research points to a need for capacity and knowledge building around legislative process, including opportunities for shared learning from other rural communities who have been through it before.
- While legislative mechanisms are in place to standardise process across relevant authorities, further resourcing and training is required to provide consistency, accountability and adoption of community asset transfer (and community empowerment more broadly) across all relevant authorities. In particular, training is required around keeping to timescales, proactively changing resistant cultures, and reducing levels of bureaucracy.
- Scotland is the most advanced nation in the UK in term of policy and law for community asset acquisition, and further opportunities should be identified to share learning with the other UK nations around what works (and what hasn't worked so far), and in particular the differences that legislation had made since its introduction.

While this evidence contributes to an important development area for policy and practice in Scotland, we acknowledge that the research had a specific focus on rural communities, and that the views of all interviewees and KE participants may not be representative of all Scottish community populations. With this in mind, further research exploring both urban and rural contexts, and focusing on minority or marginalised groups who may be excluded from asset acquisition processes, would be beneficial.

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