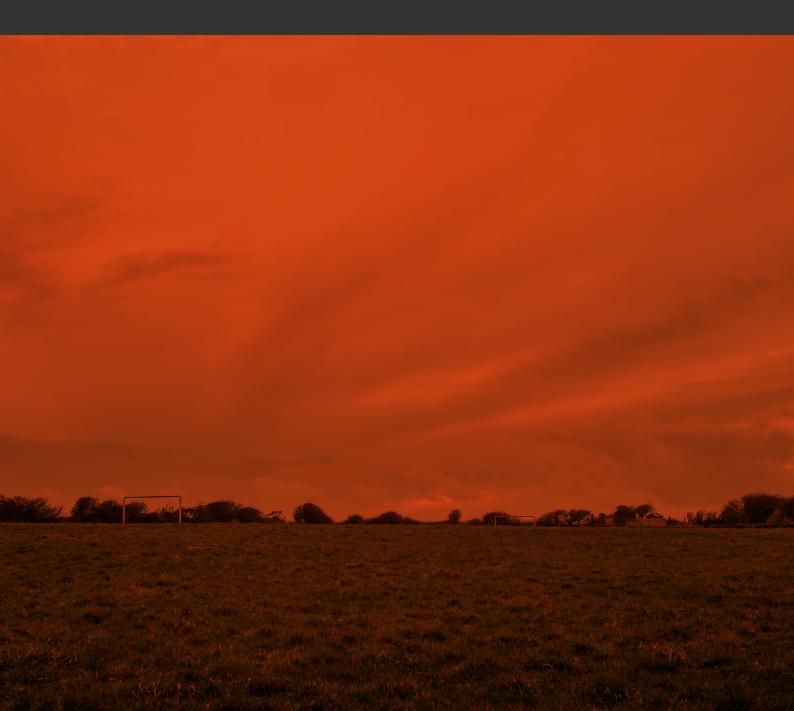
An IWA Report February 2022



Our Land: Communities and Land Use





About the author

Harry Thompson is the IWA's Economic Policy Lead, with his work aiming to contribute to the IWA's mission of a successful, clean, green and fair economy for Wales. Prior to joining the IWA he worked in a variety of political and policy roles at local authority, Westminster and Senedd level.

About us

We are a think tank and charity, independent of government and political parties.

By bringing together experts from all backgrounds, we conceive ambitious and informed ideas which secure political commitments to improve our democracy, public services and economy.

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Our vision is to create a Wales where everyone can thrive.

For more information about the IWA, our policy work, and how to join, as either an individual or organisational supporter, contact:

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Introduction

Land is one of the most precious resources a country has. It is, figuratively and literally, the foundation of all countries. How we choose to use our land – whether for industry, agriculture, housing, the natural environment, or many other options – has a fundamental impact on the structure of our society. The debate around what our land is for, who owns it and for what purpose is one that has importance far wider than the land itself. Who owns and makes decisions about how we use our land in Wales is therefore a key policy question.

This debate has become particularly pertinent in recent years. Wales' policy landscape is currently experiencing turbulence caused by the various storms of climate change, the Covid-19 pandemic, and the UK's decision to leave the European Union. The implications of these seminal issues of our times have been felt in our daily lives and the reverberations run through nearly all policy areas.

This is particularly true with regards to land. The twin impacts of climate change and Brexit have pushed a new system of funding agriculture to the fore: one based on environmental outputs, as we leave the European Union's Common Agricultural Policy of payments based on the amount of land owned. There are early warning signs of the unintended implications of similar systems, with farming unions and others raising the alarm¹ over an increase in applications from outside of Wales to the Glastir Woodland Creation programme, with accusations that 'huge, faceless companies' are 'destroying communities'² in rural areas.

The Covid-19 pandemic and its associated lockdowns have also highlighted the importance of access to land. Researchers from Cardiff University and Cardiff Metropolitan University, funded by the Welsh Government, found that access to gardens and green space were linked to better mental health during the pandemic³. Lead author Professor Wouter Poortinga stated that public parks and other green spaces have been a lifeline for many during the Covid-19 pandemic.

However, despite the ever-present importance of land ownership policy and this combination of factors pushing it to greater relevance to our lives than ever before, land use policy in Wales continues to be examined in silos rather than as a whole. Our conversations with other organisations have demonstrated a wide interest in land. Some are interested in opening access to land for housing, some are interested in land for tree planting, others are interested in land for renewable energy projects.

Far less evident is a national, strategic conversation on Wales' land and how we use it. Wales uses 88% of its land for agriculture⁴, which contributes around 4% of employment in Wales and under 1% of Wales' GVA. It is in some ways unsurprising that our seismic national investment of land towards agriculture gives such little direct return. 80% of Wales' land is designated as a Less Favourable Area (LFA) for agriculture. Our country of coasts and interior uplands means that

2 BBC News - Tree-planting: Why are large investment firms buying Welsh farms?

4 Welsh Government - Agriculture in Wales

¹ Farming UK - Concern as Welsh Farms Bought Up for Carbon Offset Projects

³ Cardiff University - Gardens and green space linked to better mental health during pandemic, study shows

agriculture has to be conducted on slopes and in areas of high rainfall. It is unsurprising, then, that Wales has some of the lowest gross output from land in the UK, at £858 per hectare. This compares poorly with table-topping East of England at £3,190 per hectare.

The legacy of the collapse of the mining industry and the continuing scars it has left on former mining communities mean that we know all too well how industry can underpin community. Agriculture is the bedrock of rural communities, including many Welsh language ones. Pressure on the agricultural industry can by default mean pressure on the economic lifeblood of huge parts of Welsh culture: 43% of agriculture, forestry and fishing workers speak Welsh – by far the highest proportion of any sector⁵. The second highest is 27% in education, and the average for all sectors is 17%. Not to mention that the quality of Welsh agriculture is a key component of the booming Welsh food and drink industry⁶.

We therefore face a situation where land use is a vital factor in determining the structure of our society, and one in which Wales has inherited a huge investment of this resource into a sector from which it is strategically poorly placed to benefit. However, this sector also underpins important supply chains and industry, as well as providing an economic basis for so much of Welsh life and culture.

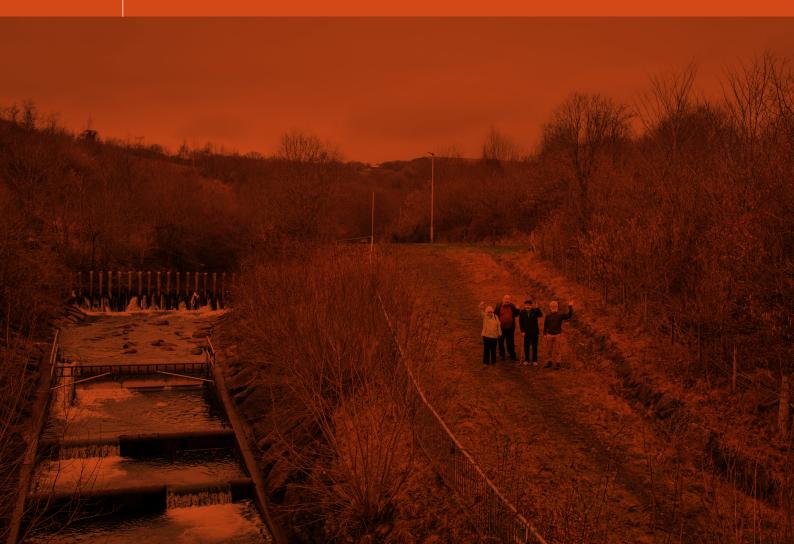
It is for this reason that the IWA has undertaken an initial scoping project on the subject of communities and land use in order to kick-start this national conversation on our land. We have consulted with interested organisations from across Wales and undertaken desk-based research into best-practice land use policy in a UK context. We have also held policy roundtables with community groups who have attempted – successfully or unsuccessfully – to access land in Wales, and with farmers from all areas of Wales who are so important in underpinning both the food supply and rural culture in Wales.

Our report tells a story of Wales severely lagging behind in giving communities a right to access land and other assets, with an arduous and demoralising process that seems almost designed to keep assets out of community control, at a time when we emerge from a period of austerity that has driven a sell-off of community land and assets. We share the viewpoint of farmers, who are not merely defined by their work but are also active citizens of rural Wales, underpinning not just the economy of these areas but also much of its cultural life, too. The report culminates in recommendations for policy-makers in Wales that we believe will empower communities to have a real say in what happens in their area, underpinning vibrant and successful local businesses and services that can become new lodestones of often-struggling communities. Through our consultation with those 'on the ground' in the farming sector we are also confident that these recommendations will work with rather than against this backbone of rural Wales, strengthening the communities with which the agricultural sector enjoys such a close symbiotic relationship.

6 Welsh Government - £7.473 billion reasons Wales' food and drink industry must continue to thrive post-Brexit

Policy context

Image: Members of Friends of Taff Bargoed Park stand by the Community Owned Hydro Turbine, which can power 128 households. The scheme benefitted from Welsh Government support. Photo by Polly Thomas for IWA.



Policy Context

The Policy Context in Scotland

Whilst there has been some policy focus in Wales, Scotland and England on community empowerment and land reform, in the devolved era it is Scotland which has undertaken the most rigorous scrutiny of land ownership and community rights. This has happened under administrations compromising the policy of Labour, the Liberal Democrats, the Scottish National Party and the Green Party. Scotland has its own unique history with land ownership, with a legacy of large privately-owned estates and a history of community buyouts that predates the devolved era. Land ownership reform in Scotland can therefore partially be seen as an extension of this particular circumstance.

However, devolution has allowed diversifying land ownership in Scotland to become a consistent feature of Scottish governance. The Scottish Land Fund⁷ was established in 2001 with a sum of £10m⁸. The Fund has evolved in scope and exists today to support urban and rural communities to become more resilient and sustainable through the ownership and management of land and land assets, with grants available from £5,000 to £1m. The Scottish Government currently provides £10m a year for the fund, which is delivered in partnership by the National Lottery Community Fund and Highlands and Islands Enterprise. Applications are welcomed from⁹ a wide range of representative community bodies, voluntary organisations, social enterprises or community councils. The Shared Policy Programme agreed by the Scottish Government and the Scottish Green Party in September 2021 committed to double this funding from £10m to £20m per annum by the end of the current parliamentary session in 2026¹⁰.

This financial support for community ownership of land and land assets was underpinned by the Land Reform (Scotland) Act 2003¹¹. This initial Act consisted of three parts: Access Rights, the Crofting Community Right to Buy, and the Community Right to Buy. It is the latter that is of particular interest with regards to community rights and land in Wales.

The Community Right to Buy¹² essentially created a right of first refusal for a community group to buy rural land when it is proposed for sale or transfer. This required the creation of a Register of Community Interests in Land, allowing community bodies to apply to register an interest in rural land, which if approved by Scottish Ministers would give the community body a first right of refusal to purchase the land when it was proposed for purchase or sale. When this situation arose, the Act necessitated the approval of the

- 7 TNL Community Fund Scottish Land Fund
- 8 Community Land Scotland a new Scottish Land Fund
- 9 TNL Community Fund Scottish Land Fund
- 10 Scottish Government Scottish Government and Scottish Green Party Shared Policy Programme
- 11 Land Reform (Scotland) Act 2003 Explanatory Notes
- 12 Land Reform (Scotland) Act 2003 Part 2, Community Right to Buy

local community via a community ballot. Community approval is taken to be given if the majority of the members of the community vote in favour of the proposition – provided that at least half of those eligible to vote do so or, where less than half vote, a sufficient number to justify the community purchase do so. These conditions had to be met before Scottish Ministers gave their consent, with Ministers being required to notify the community body and the land owner within 21 days of the ballot whether they had decided to give consent.

In 2012, the Scottish Government established the Land Reform Review Group¹³ with a remit to enable more people in rural and urban Scotland to have a stake in land use, to assist with the acquisition and management of land and land assets by communities in order to strengthen them, and to support new relationships between land, people, economy and environment in Scotland. The Group's wide-ranging report made numerous recommendations; including that the Land Reform Act 2003 should be extended to widen the scope of the Community Right to Buy to cover urban areas, to request the purchase of public land, and to request Scottish Ministers to implement a Compulsory Purchase Order.

The Scottish Government also introduced a target¹⁴ to put a million acres of land in community ownership by 2020, before passing the Community Empowerment (Scotland) Act 2015. Amongst other measures, the Act responded to the recommendations of the Land Reform Review Group by expanding the Community Right to Buy to urban communities and introducing Asset Transfer Requests for publicly-owned land. It also created a requirement for local authorities to establish and maintain a register of its common good property. Common good property is property owned by the local authorities for the common good of the inhabitants in their area. It required local authorities to include and notify community councils and community bodies in the area when establishing the registers, inviting them to comment on the proposed register. As with establishing the common good register, the local authority is required to publish proposals and notify community councils and community bodies before disposing of or changing the use of common good property.¹⁵

The most recent piece of legislation passed in Scotland regarding communities and land is the Land Reform (Scotland) Act 2016¹⁶. This Act solidified land reform as a consistent part of Scottish governance by establishing a duty for Scottish Ministers to produce a Land Rights and Responsibilities statement within 12 months, and for this statement to be reviewed within five years of publication. It also established the Scottish Land Commission¹⁷, which is compelled to produce strategic plans for approval by Scottish Ministers before being published and laid before the Scottish Parliament. The Scottish Land Commission currently describes itself as driving a programme of land reform spanning both urban and rural land, to create a Scotland where land is owned and used in ways that are fair, responsible and productive¹⁸.

- 13 Scottish Government Land Reform Review Group Final Report
- 14 Scottish Government One million acres by 2020: strategy report and recommendations
- 15 Community Empowerment (Scotland) Act 2015 Explanatory Notes Part 8, Common Good Property
- 16 Land Reform (Scotland) Act 2016
- 17 Land Reform (Scotland) Act 2016 Explanatory Notes Part 2 Chapter 1, The Commission
- 18 <u>Scottish Land Commission</u>

The Scottish Government also amalgamated five previous programmes (the People and Communities Fund, the Strengthening Communities Programme, the Community Choices fund, the Making Places Initiative, and the Fair Food Transformation Fund) into the Investing in Communities Fund, which along with the Aspiring Communities Fund, forms the Empowering Communities Programme¹⁹. The Investing in Communities Fund²⁰ aims to empower communities to tackle inequality and disadvantage on their own terms, in turn supporting inclusive growth. The £24.8m Aspiring Communities Fund²¹ is targeted at supporting the most deprived and fragile communities in Scotland to develop and deliver long-term solutions that address local priorities and need, increase active inclusion, and build on the assets of local communities to reduce poverty and enable inclusive growth.

The Scottish Government's Rural Housing Fund²² also accepts applications from community organisations.

The land reform and community empowerment movement in Scotland continues to be a focus of the Scottish Government. In addition to the aforementioned pledge to double the funding of the Scottish Land Fund, the Shared Policy Programme by the Scottish Government and the Scottish Green Party also stated that continued progress on land reform is essential, and that a significantly high proportion of land should be owned in Scotland by the communities that live and work there. It also committed to a new Land Reform Bill by the end of 2023, aimed at tackling the scale and concentration of land ownership in rural and urban Scotland.²³

The Policy Context in England

The UK Government has also undertaken some action in the area of community empowerment. The Localism Act 2011 is a wide-ranging piece of legislation that is mostly applicable to England. This Act was passing through the UK Parliament as Wales gained primary law-making powers on 5 May 2011²⁴. The Act contains a variety of measures relevant to this report. Part 5, Chapter 3 of the Localism Act refers to Assets of Community Value. It places a duty on local authorities in England and Wales to maintain a list of assets of community value - although Welsh Ministers chose not to implement this in Wales, as explained later in this report. It states that assets may only be included on the list in response to a community nomination or by the appropriate authority. A community nomination is defined²⁵ as those made by a parish council (England) or community council (Wales) or a voluntary or community body with a local connection. Local authorities are required to consider community nominations, and to list the land if it is of community value and in the authority's

- 19 Scottish Government Empowering Communities Programme
- 20 Scottish Government Investing in Communities Fund
- 21 Scottish Government Aspiring Communities Fund
- 22 Scottish Government Rural and Islands Housing Funds
- 23 Scottish Government Scottish Government and Scottish Green Party Shared Policy Programme
- 24 Localism Act 2011 Explanatory Notes Territorial Application, Wales
- 25 Localism Act 2011 Explanatory Notes Part 5, Chapter 3, Land of Community Value

area. It also requires the local authority to provide a community with written reasons if the land is not listed. There is then a compulsory moratorium on the disposal of listed assets, with the owner being prohibited from disposing of the land until they have notified the local authority of their intention, before a six-week interim moratorium which applies in all cases, and allows community interest groups to make a written request to be treated as a potential bidder. If none do so in this period, the owner is free to sell the asset at the end of the six weeks. If a community interest group does make a request during this interim period, then a full sixmonth moratorium begins. After the six-month moratorium expires, the owner is free to sell to whoever they choose at whatever price they choose. This part of the Act, combined with the Assets of Community Value (England) Regulations 2012, combine to form what is known as the Community Right to Bid²⁶.

The Localism Act also contains provisions for what is known as the Community Right to Challenge²⁷, which allows communities to bid to take over the running of local services, and the Community Right to Build²⁸, which allows community organisations to bring forward small-scale development without the need for planning permission. This can, for example, be used to develop small-scale housing. A Community Right to Reclaim Land²⁹ also allows communities to request to take over land they believe is under-used or vacant via a Public Request to Order Disposal³⁰.

The UK Government's Community Housing Fund³¹ also provided funding for the community-led housing sector in England.

The Policy Context in Wales

By contrast, and despite conceptions in Welsh political circles of Wales as a 'communitarian' nation, communities in Wales have by far the fewest statutory rights in Great Britain in relation to land.

There are a few limited mechanisms for community control. Community Asset Transfers (CAT) allow communities to take over ownership and management of facilities when local authorities or other public bodies decide to allow this. This process is driven by local authorities and public bodies rather than communities. The Welsh Government's own guidance³² states that the community can own and manage facilities that might otherwise be closed down if the local authority or other Public Authorities are unable to fund them any longer. Further to this, research conducted by Government Social Research³³, commissioned by the Welsh Government, states that the most common reason cited by

- 26 UK Government Community Right to Bid
- 27 UK Government Community Right to Challenge
- 28 Planning Portal Community Right to Build
- 29 UK Government Community Right to Reclaim Land
- 30 UK Government Public Request to Order Disposal
- 31 UK Government Community Housing Fund
- 32 Welsh Government Community Asset Transfer Guidance
- 33 Welsh Government / Government Social Research Community asset transfer: research with the third sector, local authorities and community and town councils

local authorities for an asset transfer was the need to reduce their costs as a result of ongoing austerity policies. The research also found that only four out of the 15 local authorities surveyed reported that they had a dedicated CAT officer, and that leaseholder transfers were much more common than freehold transfers, which can necessitate local authorities' approval to make changes to the asset for the benefit of the community – raising questions about the level of community control. The research stated that transferees often felt frustrated by this process, and recommended that local authorities should re-orientate their approach to CAT in a way that places community need as the primary driver for decisions around asset transfer as opposed to the need to cut costs from within the local authority.

It is worth noting that under the General Disposal Consent (Wales) 2003 allows local authorities and some other public bodies to dispose of land for less than best consideration,³⁴ ie, for below market value. This is usually provided that 'the authority considered that the disposal would contribute to the promotion or improvement of the economic, social or environmental wellbeing of the whole or any part of its area, or all or any persons resident or present in its area and the undervalue did not exceed £2 million.'

The Welsh Government also runs the Community Facilities Programme³⁵, a capital grant scheme which provides grants up to £250,000 for the purpose of improving community facilities, and which is open to community and voluntary sector organisations, meaning that this process is community-led. The Welsh Government also funds the Community Land Advisory Service in Wales³⁶ (CLAS Cymru) to support community green space projects to acquire land and gain all the necessary permissions to set up and manage green spaces. However, there is no statutory right for communities in Wales to buy land or assets as in Scotland, and no right to bid, challenge, or build as in England.

The Community Asset Loan Fund³⁷ was also recently launched. It can provide up to 100% of the property value, unlike traditional bank loans. There is a reduction in interest rates for organisations that pay the Living Wage. However, funding is capped at £300,000 and is loan rather than grant funding.

This absence of statutory rights for communities in Wales is particularly striking, not merely because of Wales' reputation as a country with strong community values, but also because the option to enact measures seen in England was available to the Welsh Government without primary legislation. The Welsh Government had the option to enact the Assets of Community Value (ACV) measures of Chapter 3, Part 5 of the Localism Act in Wales. In order to come to a decision on this topic the Welsh Co-operatives and Mutuals Commission was established. This Commission found³⁸ that Wales has an opportunity to go further than Scotland and England on the topic of land and assets, and recommended that the Welsh Government consider legislation to enable communities to list their community assets and have first right of refusal to bring assets into community ownership. It also

- 34 Local Government Act 1972: General Disposal Consent (Wales) 2003.
- 35 Welsh Government: Community Facilities Programme Guidance for Grant Applicants
- 36 Social Farms and Gardens: Community Land Advisory Service Cymru
- 37 WCVA: New Community Asset Loan Fund Launched
- 38 Report of the Welsh Co-operative and Mutuals Commission

recommended that Wales in fact go further than Scotland and England by considering the inclusion of sports clubs as community assets.

In October 2014 in response to the commission's findings³⁹, then-Minister for Communities and Tackling Poverty, Lesley Griffiths AM, noted that Assets of Community Value measures do not enable communities to force the sale of an asset. She stated instead that there was scope to develop an approach better suited to the Welsh context and which would address some of the shortcomings of the arrangements in England. She stated that she did not think it would be possible to implement a new approach before the upcoming election (May 2016), but that she hoped there would be more clarity on the best way forward.

In March 2015 an update was issued. It stated an intention to produce a consultation paper in May 2015, which would set out current policy and practice context and analyse options to take forward a Welsh model. It also stated that a Welsh Government Community Assets Working Group had been established. Ms Griffiths stated that, through the consultation, she wanted to develop a sustainable approach in Wales which was built on evidence and which would help to empower communities, safeguarding assets that are treasured by local people and integral to the lives of communities.

In December 2015 the Minister released a written statement⁴⁰ regarding the consultation's findings, stating that the consultation found popular support for establishing a Welsh scheme which would enable community groups to nominate land or buildings to trigger a process whereby community groups are permitted the opportunity and time to bid for the asset during a moratorium period. The statement said that the legislative framework for establishing a Welsh ACV scheme could be put in place by commencing Chapter 3 Part 5 of the Localism Act 2011, and in subsequent Welsh regulation made under the Act. The Minister committed to continuing engagement with stakeholders in Wales to ensure the approach being taken was fully fit for the Welsh context. She noted that the Localism Act does not provide for a community right to first refusal as in Scotland, and that this would require new primary legislation. She stated that any proposals on this basis in the future would need to be assessed to ensure they were within legislative competence. The Minister then stated that legislation in relation to this issue, including commencing the relevant Localism Act measures, would take place after the upcoming 2016 election. She stated that she was not in a position to commit a future government to any specific action but that she believed there was cross-party support on this issue.

However, the measures under the Localism Act were never implemented in any form in Wales. First right of refusal for communities legislation, such as that in place in Scotland and recommended for consideration by the Welsh Co-operatives and Mutuals Commission, was also never passed. Communities in Wales continue to have fewer statutory rights than in Scotland or England, despite the widespread support of two commissions for at least the same level of community empowerment measures as in England, and with reference to going further than both England and Scotland.

39 Welsh Government Written Statement - Assets of Community Value measures contained in the Localism Act 2011

In 2019 UNISON Cymru found that⁴¹ during 2010-2019, an era largely defined by a UK Government policy of austerity in public finances, 193 youth centres in Wales closed. In 2019, the Wales Governance Centre reported that⁴² local authorities in Wales had seen their funding from Welsh Government drop by nearly £1bn since 2009-10.

Despite efforts to map community assets in Wales⁴³, there is still no way of knowing the total number of community assets lost during the austerity-driven mass sell-offs over the past decade. However, it is extremely likely that Wales' lack of follow-through on community empowerment measures at this vital time led to many assets being permanently lost to communities.

It is worth noting that in contrast to Scotland's Rural Housing Fund and England's Community Housing Fund – both of which provided funding to the community-led housing sector – stakeholders in this sector in Wales told us that there is no equivalent in Wales. These stakeholders told us that capital funding that exists for affordable housing in Wales is strictly reserved for Registered Social Landlords. It was felt that the Welsh Government resists registered community organisations as Registered Social Landlords, but that it had been supported in England.

⁴¹ Unison Cymru - Shocking picture of austerity cuts to services in Wales revealed by UNISON

⁴² Wales Governance Centre, Cardiff University - Cut to the bone? An analysis of Local Government finances in Wales, 2009-10 to 2017-18 and the outlook to 2023-24

⁴³ Building Communities Trust et al: Mapping Communities in Wales

Key current issues in Wales

Image: Emily Hinshelwood stands by Hwb y Gors. Awel Aman Tawe have bought the former Cwmgors Primary School building and are renovating it into a zero-carbon arts, education and enterprise centre for and with the local community. The building has 90kW of solar panels, lime render and a 50kW ground source heat pump. The work is being funded with Welsh Government support and money from National Lottery, Garfield Weston Foundation, Moondance Foundation, Landfill Disposal Trust, Neath Port Talbot CBC, Awel Aman Tawe and community shares. Photo by Polly Thomas for IWA.



Key current issues in Wales

In producing this report, we held conversations with interested organisations from across Wales, and two policy roundtables: one with community groups, and one with farmers. We were interested in hearing from community groups about their experiences of accessing land and assets in Wales, and in hearing the lived experiences of farmers as those who provide much of the economic basis for rural Wales, and who are inherently at the sharp edge of proposed community empowerment reforms with regards to land.

We found community groups universal in their criticism of the current situation in Wales, with particular anger directed at the lack of process. There was a clear narrative of an arbitrary and confusing system that those involved found demoralising and energy-sapping.

Despite our initial expectation that this debate would be one characterised by conflict, we found farmers to be open-minded about proposals, with sensible and well-informed scepticism about some of the more radical suggestions such as compulsory purchase. The farmers we spoke to were more likely to express concern for their communities than for themselves, and viewed their work not merely as a business for financial gain but also as a public service for the rural communities for which they provide the economic basis. This was borne out in the near-universal examples of their communities. It is worth noting that although the economic contribution this industry makes to underpinning rural Wales is important, the social contribution they make also does much to strengthen communities that are facing intense pressures from a number of directions.

Lack of Process

The core concern raised by community groups in Wales with regards to accessing land was the lack of a clear process. It is worth noting that whilst measures in Scotland and England such as the right to buy and right to bid give communities a way into purchasing privatelyowned land, in Wales the communities we spoke to were predominantly concerned with accessing publicly-owned land, either for ownership or stewardship. It is likely that this is as a result of the lack of rights to access private land.

Whether they were successful or unsuccessful in accessing land, the community groups we spoke to described the experience universally negatively. One group stated that there was no appetite from public bodies to dispose of land and assets to communities, saying that they had faced an 'us against you' attitude. Another community group, seeking to provide housing in rural Wales, stated that the delays they experienced were astounding, and that their group was treated with a complete lack of respect. This group described negotiating a transfer of the land as one of the most painful parts of the process, and stated that the eventual community ownership element of the housing that was built was watered-down.

This group stated that they would support a community-driven policy which could give community groups more rights to prevent this in the future. These experiences were corroborated by others.

A community group seeking to provide a community green space in urban Wales stated that their experience was challenging and unpleasant due to the lack of a clear process. They were initially told by the relevant local authority that the land could be used by the community, but after ten months they received an email informing them that the land would be sold for development. This group described it as demoralising for a community that experiences multiple deprivations and that had already lost community assets such as libraries and green space, and that it was difficult to know how to push back against the decision. They described the lack of a clear process to access land as a significant barrier, with the lease being held up by the local authority for months as initial grant funding disappeared, despite numerous attempts to contact the authority. As a result of this lack of process, miscommunication within the local authority occurred, with different departments not communicating well with each other and conflicting advice then being given to the community group. Despite the project eventually being successful, a department of the local authority was not aware it had been leased, accessed the site and changed the locks.

Another community group which attempted to purchase a county farm in order to maintain its use for the community stated that their local authority demonstrated a lack of flexibility and a lack of knowledge of community ownership.

A roundtable participant from the community energy sector stated that the process required a large amount of work for communities, and that they were often in competition with organisations that have far more resources. They described public bodies as incredibly challenging, frustrating, and time-consuming to work with.

When presented with potential policy solutions from the English and Scottish examples, our policy roundtable for community groups found universal support for a Scottish-style right to buy.

Timing Issues

Although this is strongly linked to the lack of process, it is worth noting timing issues separately. As mentioned, one community group received initial grant funding, but found the lack of clear process caused considerable issues with timing, with the lack of deadlines or clarity causing the grant funding to disappear as they waited. Another group stated that their initial experience was of a combative attitude by public bodies, with what they believed was an attempt to talk out the clock.

It is worth making the contrast here with England and Scotland. In England, community groups can benefit from a moratorium to establish legal entities, create a business plan, and secure funding. In Scotland, community groups can benefit from a right of first refusal to buy land and assets. In Wales, there is no real mechanism for communities to buy private land. They are required to establish a legal entity, create a business plan, and secure funding in competition with the rest of the market – competing with entities that often have funding and a legal entity secured going into the process. Despite Welsh Government guidance regarding Community Asset Transfers, communities in Wales do not appear to benefit from a consistent approach to accessing public land for ownership or stewardship, and as mentioned in the policy context section of this report, few local authorities have dedicated Community Asset Transfers.

Funding Issues

A representative from the community energy sector stated that getting caught in procurement rules was an issue for communities. In their experience, councils thought they needed to offer out the opportunities broadly to a competitive process. They stated that this was true even if it was the community group who approached the council about the project. Local authorities were said to still think they needed to open the opportunity out more widely, with the community group then subject to competing with the private sector, and other organisations that were better resourced.

Expertise Issues

One community group that has successfully established community housing in rural Wales stated that despite the Welsh Government pointing towards their project as a model example, they feared that more deprived communities would not have the expertise or time to go through with the lengthy and ill-defined process that exists in Wales.

A representative from the community energy sector stated that although many local authorities and public bodies had reviewed sites that were suitable for renewable energy on their estates, these were not all being developed. It is likely that an asset register formulated in the right way would allow community energy groups the chance to develop proposals on these sites.

Social Value

The social value of community groups is an issue that came up consistently in our discussions. One individual who works with community groups in Wales stated that financial concerns were consistently put ahead of community and environmental benefit. This was widely corroborated by other community groups. One group stated that a recognised and acknowledged framework for communities to demonstrate social value would have been valuable to them during their process of seeking to access land.

The representative from the community energy sector also agreed with this, stating that they felt there should be some obligation or duty on local authorities and public bodies

to look at how they could deliver the most community benefit or social value, with the tendering process weighted towards community projects over commercial schemes.

A representative from a large community group stated that it was incredibly important to future projects that social value calculations were used to justify asset and land transfers. This individual stated that it was important that the Welsh Government, Natural Resources Wales, and the Wales Audit Office had a framework to justify taking social value into account in the audit process. It was suggested that this social value could include carbon sequestration, job creation, biodiversity improvements, supply chain improvements and more. This process would need to be fully auditable and would simply need a policy change by the Welsh Government rather than legislation. It was noted that a National Themes, Outcomes and Measures⁴⁴ (TOMs) framework already exists that could be adapted or adopted for Wales.

Rural Wales

Our roundtable with farmers found concerns about rural Wales in general to be front and centre in the minds of farmers. A first-generation farmer in Gwynedd stated that farmers were already diversifying and that this had helped local economies. This farmer stated that, in his area, the community was incredibly close-knit and agriculture was the basis for the community. They raised concerns about homes being bought by people outside the community, driving up prices and eroding the close-knit nature of the area. They also expressed serious concerns about farms being bought for tree planting by those outside the communities, stating that it had a devastating effect on rural areas.

These concerns about the erosion of rural Wales were corroborated by others. An eighthgeneration farmer based near Caernarfon stated that second homes were causing local young people difficulties, which was causing tensions. This farmer also made a point of noting the importance of the Welsh language, stating it made Wales unique and was something they held dear.

A farmer in Carmarthenshire noted that their local village had no pub and no shop, and that they were seriously concerned when the local school closed 20 years ago. However, the school had been bought by the community and continues to be run as a local village hall. This farmer again stated that the biggest issue in their community was affordable housing in the local village.

A farmer based near Abergavenny stated that they would not be surprised if half the houses in their valley were holiday lets or second homes. They stated that their community mainly consisted of farmers, and was becoming thinner and declining in numbers. They stated that they hosted the local show on their farm, and that no young people were coming through to run it. They raised concerns that most on the committee of the local show were now well into their seventies, and that it did not look as if there was going to be a new generation to take it on – with the result being a further thinning out of the community.

New Entrants to Farming

One farmer noted that council tenant farms were now few and far between. They stated that farmers who have children who are not interested in the industry, or who do not have children, were left with the option to sell the farm to larger businesses. This farmer stated that it could be beneficial for the agricultural industry to develop a community policy which would allow for new entrants to use that land to secure future farmers in the area. They noted the importance of agriculture for rural areas, with the children of farmers going to local schools, and farmers buying from local agricultural dealers and spending their money locally too. They expressed concerns that forestry had fewer trickle-down effects.

The first-generation farmer from Gwynedd noted that if they had not had the initial opportunity presented by a county farm they would not have entered the industry. They described it as an issue of fairness for people in rural areas to have these opportunities.

Farmers in the Community

It is important to note the strong sense of community service that most of the farmers described. As well as expressing anxieties over the economic and social viability of rural areas that are coming under pressure from second homes and tree planting from outside of Wales, the farmers we spoke to were near-universally heavily involved in their communities.

The eighth-generation farmer near Caernarfon noted that they had worked with a community interest group to explore renewable energy opportunities, and took local people around the farm by arrangement.

A sheep farmer from Carmarthenshire stated that although there was some conflict with regards to lack of understanding over access rights, they had become involved in an organisation that aims to build bridges between farmers, environmentalists, and the wider public.

The farmer in the Vale of Glamorgan noted that they took part in National Farm Sunday, where they open their gates and invite people onto the farm for free, usually receiving between 2,000 and 2,500 visitors. They described the links they had developed with Cubs, Scouts, Guides and young farmers groups through this event. They also pointed out that they fund schools to visit the farm, due to the lack of finance their local school has. This farmer also provided careers advice at school. With regards to the environment, they gave access to five acres of their farm to a local environment group, with sites on different areas and the ability to do what they wish with it. They stated that if this group requests that the farmer do something specific, they happily comply due to their agreement with the group's ethos. However, they were sceptical about formal stewardship arrangements seeing these as potentially constraining their ability to work with groups with whom they share an ethos.

One farmer noted that they had given land to local people to start allotments, which had had a positive start before declining in quality. They stated that eventually huts, tyres, and rubbish began to accumulate due to misuse. For this reason, they were strongly sceptical about compulsory purchase powers for derelict land as in Scotland.

Other examples of farmers being involved in their community included a farmer in the Snowdonia National Park working with the local young farmers club, supporting the local Eisteddfod, and being involved in the governance of the local college. From our discussions it was clear that the agricultural industry does not simply provide an economic basis for rural communities, but also actively strengthens community resilience and cohesion through their wider work, whether directly related to their business or not.

Potential solutions

Image: Workers renovate the former Cwmgors Primary School building into a zero-carbon centre for arts, education and enterprise. An example of how empowered communities supported by government can breathe new life into areas, create jobs, and support the environment. Photo by Polly Thomas for IWA.



Potential Solutions

There appears to be a clear lack of process for community groups to access public land, with the experiences of community groups varying significantly based on which local authority area they are based in, and whether they are dealing with a local authority or with another public body. However, all experiences were negative, whether they were successful or not in managing to secure ownership or stewardship of the land. In addition to this, the situation with regards to accessing private land and assets is worse still, with the lack of statutory rights for communities putting them directly in competition with the better-resourced private sector.

The community groups we spoke with were unanimous in calling for legislative action to give community groups statutory rights to access land and assets. One policy expert working in the area of community housing stated that legislation was crucial for the signal it sent. Another policy expert stated that both legislative change and policy changes were needed, and that these required fundamental systemic change rather than tweaking.

A farming policy professional made the important point that the system of land ownership in Scotland is extremely different to Wales, with Wales having relatively small family farms that often farm up to the urban fringe, and with farmers almost universally having engagement with the community. They stated that the answer was not to look to Scotland and duplicate it, as Scottish land ownership patterns include many large estates with distant owners, which is not the situation in Wales.

One farmer noted that, if they were to sell their assets, they would expect to want to sell it to the highest bidder. With regards to a community right to first refusal, they stated that there was potential to combine this with a mechanism and finance to establish the market value.

Another farmer supported this viewpoint, stating that local communities having the first refusal to buy land would clearly prevent them from putting it on the open market.

It is clear from our research that community groups in Wales are in dire need of strong empowerment mechanisms. However, rural communities in Wales are fragile. They are already dealing with the eroding impacts of second home ownership and the purchase of land for tree-planting by corporations based outside of Wales. Any action taken on this should be done so only in consultation with existing rural communities and businesses.

There were also significant concerns from multiple farmers about the future of the industry, with fewer opportunities for new entrants. Support for communities seeking to protect county farms, potentially through community ownership or stewardship, is worthy of consideration.

Certain stakeholders representing community groups have stated that in some circumstances, the transfer of title from a public body to a community group is neither legally possible, nor the preferred outcome of one party or the other. In these situations the co-production of an asset management plan can be an effective way to ensure that community values are included in future plans.

An example of this happening in Wales is the community in the Upper Rhondda (part of Project Skyline), which has entered into a co-design process with Natural Resources Wales in order to ensure that community values are reflected in the forest plan over the coming decade. The co-production of future asset management plans by the public body and the community could be used to ensure that public assets that are not transferred to community ownership can still be managed in a way that delivers on the community's values and vision.

Recommendation 1:

The Welsh Government should begin work on a Community Empowerment Bill that establishes a register of community assets, and gives communities a statutory first right of refusal over these assets when they are proposed for sale or transfer.

It is vital that any community empowerment rights in this Bill do not endanger the viability of the agricultural industry that underpins rural Wales, and it should therefore not be considered without a mechanism to ensure land and assets are sold for market value. We do not recommend compulsory purchasing measures as in Scotland, due to the differential context in Wales, the fragility of rural communities, and their importance to the Welsh language.

Recommendation 2:

The Welsh Government should establish a well-financed Community Asset Fund, based on the successful Scottish Land Fund that distributes grants of between £5,000 and £1m. This should be dedicated to underpinning the Community Empowerment Bill's provisions, financially supporting community ownership, and ensuring that those seeking to sell receive a fair price for their assets.

Recommendation 3:

The Welsh Government should establish a coordinated support package to support communities that are seeking to buy or lease land or assets. This should be particularly targeted at deprived communities to ensure those without the resources or time to engage as fully in the process are not disadvantaged.

Recommendation 4:

The Welsh Government should adopt a social value policy that applies to public bodies looking to dispose of or lease land or assets. This should be auditable and communicated clearly with local authorities, public bodies, and Audit Wales. The National TOMs Framework should be used as a starting point to develop this social value policy.

Recommendation 5:

In situations where asset transfer is not possible, the Welsh Government should support public bodies to co-produce, with communities as equal partners, future asset management plans that reflect community values and vision but also reflect the legal and professional requirements of asset management.

Conclusions

Image: Rachel Lewis, Secretary of Solva Community Land Trust, stands by the field opposite Bay View Stores. The Community Land Trust is being supported by Solva Community Council and Pembrokeshire County Council to develop affordable, community-led housing on the site. If replicated at scale projects such as these could tackle the second homes crisis seen in many areas of Wales. Photo by Polly Thomas for IWA.



Conclusions

Despite Wales' reputation as a nation defined by close-knit communities, its communities appear to be some of the least empowered on this island.

Community groups seeking to take ownership or stewardship of land or assets in their area have very few means to do so. Wales' system of community empowerment – to the extent that any system exists at all – seems to be entirely driven by a top-down approach, with our discussions and research indicating that communities are largely only supported in accessing assets that local authorities and public bodies have decided to offload, and are in large part locked out of accessing land and assets that are held in the private sector. There appears to be little capacity in most local authorities to support Community Asset Transfers, meaning that even in the narrow circumstance of appropriate public land and assets being sought for disposal by local authorities and public bodies, there is no consistency of process, and communities have very few rights to ensure favourable terms. This appears to lead to community burnout and frustration.

Meanwhile, we have heard first-hand from rural communities about the precarious situation they find themselves in. There are widespread concerns about second homes and farms being bought out for tree planting contributing to a thinning-out of rural communities. Wales' experience of seeing mining communities have their economic basis taken away during the 20th century should underpin current attitudes towards rural Wales and the agricultural sector, particularly due to their close association with the Welsh language. Community empowerment measures should aim to support rural communities and their economies, not put them at risk.

This scoping report has identified a clear need for community empowerment measures in Wales, tailored to Wales' unique circumstances and learning from the experience of other UK nations rather than merely replicating them. If this is achieved, a clear prize of strengthened and empowered Welsh communities is within reach.

