

The Community Wealth Building (Scotland) Act 2026

Background to the bill as introduced

The Community Wealth Building (Scotland) Bill was introduced on 20 March 2025. The Bill aims to ensure that local authorities and other parts of the public sector implement community wealth building across Scotland. It does this by placing duties on Scottish Ministers and various public bodies, particularly local authorities. These duties relate to the publication and implementation of statements, action plans and guidance.



The Bill creates a strategic foundation for community wealth building in Scotland.

For detail of the process and amendments at stage 2 see this [SPICe Briefing](#).

The Act as passed

On the 10th February the Bill was passed unanimously and became an Act on 25 March 2026.

The Act as passed makes provisions in three ways:

1. Community Wealth Building Statement
2. Community Wealth Building Action Plan
3. Community Wealth Building Guidance



1. Community Wealth Building Statement

Duty to lay in Parliament a CWB statement.

The Community Wealth Building Statement is to be published within 18 month of commencement of the section of the Act, and reviewed every five years thereafter.

Ministers can make regulations setting the format of the statement, and must report on the impact of the statement in achieving its aims as well as publish a draft and consult with Local Authorities, IDBMs, business' and any other persons considered appropriate.

The statement **must** outline measures that:

- Reduce economic and wealth inequality.
- Support sustainable, inclusive growth aligned with UN Sustainable Development Goals

Measures in the statement, in line with the five pillars, **must** include:

- Using procurement to strengthen local economies.
- Promoting fair work, skills and workforce development.
- Supporting community and diversified ownership of assets.
- Bringing vacant/derelict land into community-benefiting use.
- Encouraging local enterprise, co-operatives and employee-owned firms.
- Promoting access to community-benefiting investment.
- Supporting climate resilience.

In preparing the statement, Ministers must also:

- Set out the steps the Scottish National Investment Bank and Enterprise Agencies will take to increase the number of employee-owned business'.
- Review the extent to which the goals of the statement are facilitated by existing policies and practices and consider if changes are needed.
- Have regard for the Just Transition principles

2. The Community Wealth Building Action Plan

A local authority and the relevant public bodies relating to it are collectively referred to in this Act as a “community wealth building partnership”.

Relevant public bodies:

- a. the board of management of a regional college designated by order under section 7A of the Further and Higher Education (Scotland) Act 2005 which is



situated wholly or partly in the area of the local authority,

(aa). a regional strategic body specified in schedule 2A of the Further and Higher Education (Scotland) Act 2005 which is situated wholly or partly in the area of the local authority,

- b. a Health Board constituted under section 2(1)(a) of the National Health Service (Scotland) Act 1978 whose area includes, or is the same as, the area of the local authority,
- c. Scottish Enterprise,
- d. South of Scotland Enterprise where all or part of the area of the local authority is within the South of Scotland as defined by section 21 of the South of Scotland Enterprise Act 2019,
- e. Highlands and Islands Enterprise where the area within which, or in relation to which, it exercises functions in accordance with section 21(1) of the Enterprise and New Towns (Scotland) Act 1990 includes the whole or part of the area of the local authority,
- f. the Skills Development Scotland Co. Limited,
- g. a regional Transport Partnership established by virtue of section 1(1)(b) of the Transport (Scotland) Act 2005 whose region includes, or is the same as, the area of the local authority.

Together, the CWB partnership must prepare a CWB action plan, aligned with the CWB statement **within 3 years** beginning the day on which the section comes into force, and with a **5-year reporting cycle**.

A community wealth building action plan must set out the measures the community wealth building partnership is taking, or intends to take, to facilitate and support the generation, circulation and retention of wealth in the local economy.

CWB Partnerships must consult on their CWB Action plan with: persons directly affected, representatives of the community, businesses, third sector, social enterprises, and other considered appropriate.

Plans **must**:

- Include indicators.
- Set a % target for percentage of local spend.
- Consider how the use or disposal of common good land and assets would further the aims of this Act.
- Importantly, two or more local authorities may act jointly, with the relevant public bodies relating to them, to prepare and publish a community wealth building action plan for the areas of the local authorities in question.



Optional indicators include:

- Number of new businesses established
- Total number of businesses
- Total business output
- Average wage
- Availability of skills development programmes
- Number of employee-owned businesses
- Number of co-operatives
- Use of community right to buy
- Such other use of land as the CWB partnership considers relevant
- The proportion of pension funds of the CWB partners invested locally and regionally
- The growth of local financial institutions including credit unions
- Such other indicators as the CWB partnership considers appropriate

A progress report must be published every 5 years which includes:

- Steps taken per measure
- Review activity
- Percentage of procurement expenditure going to local suppliers
- Progress against indicators

2. The Community Wealth Building Guidance

The Scottish Ministers must issue guidance about:

- community wealth building action plans, including all measures under section 5(5),
- facilitating and supporting the generation, circulation and retention of wealth in local and regional economies, including through the development of community-owned renewable energy, and skills and supply chains associated with renewable energy.

Guidance must be issued within 18 months beginning with the day the section comes into force and revise the guidance as and when appropriate.

Both relevant and specified public bodies must be consulted before issuing guidance.

The specified public bodies must have due regard to guidance issued when developing:

- that body's corporate plan,
- delivery strategies in relation to that plan



Specified Public Bodies

- British Waterways Board
- Creative Scotland
- The Crofting Commission
- Crown Estate Scotland
- Highlands and Islands Airports Limited
- Historic Environment Scotland
- An integration joint board
- A National Park authority
- The chief constable of the Police Service of Scotland
- The Scottish Courts and Tribunals Service
- The Scottish Environmental Protection Agency
- The Scottish Fire and Rescue Service
- The Scottish Further and Higher Education Funding Council
- Scottish Futures Trust Limited
- Scottish Land Commission
- Scottish National Investment Bank plc
- Scottish Natural Heritage
- Scottish Sports Council
- Scottish Water
- A Special Health Board
- VisitScotland

Find more information about the [Community Wealth Building \(Scotland\) Act 2026](#).

