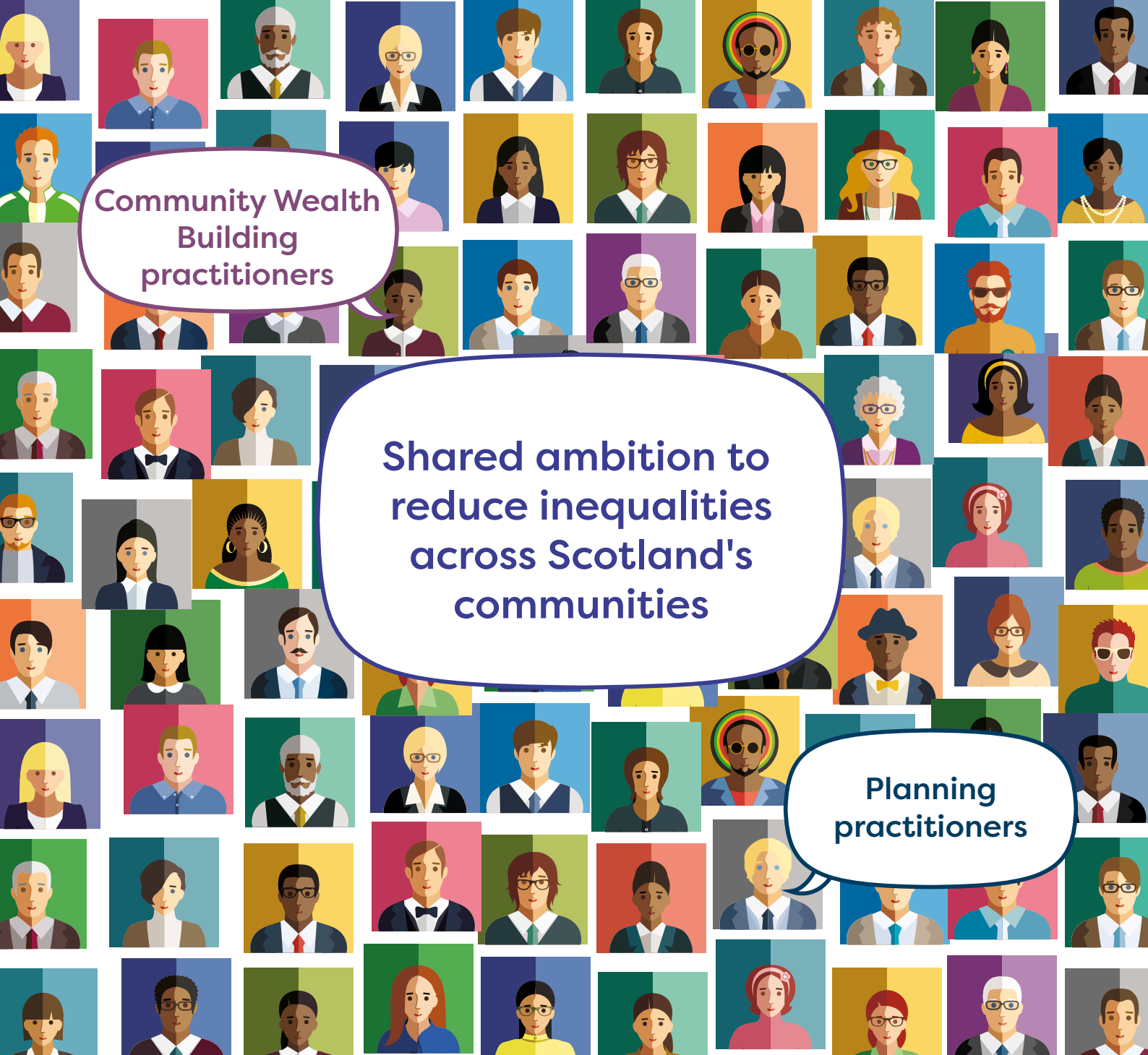




Community Wealth
Building
practitioners

Shared ambition to
reduce inequalities
across Scotland's
communities

Planning
practitioners

Integrating Land Use Planning, Place, and Community Wealth Building

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Executive summary

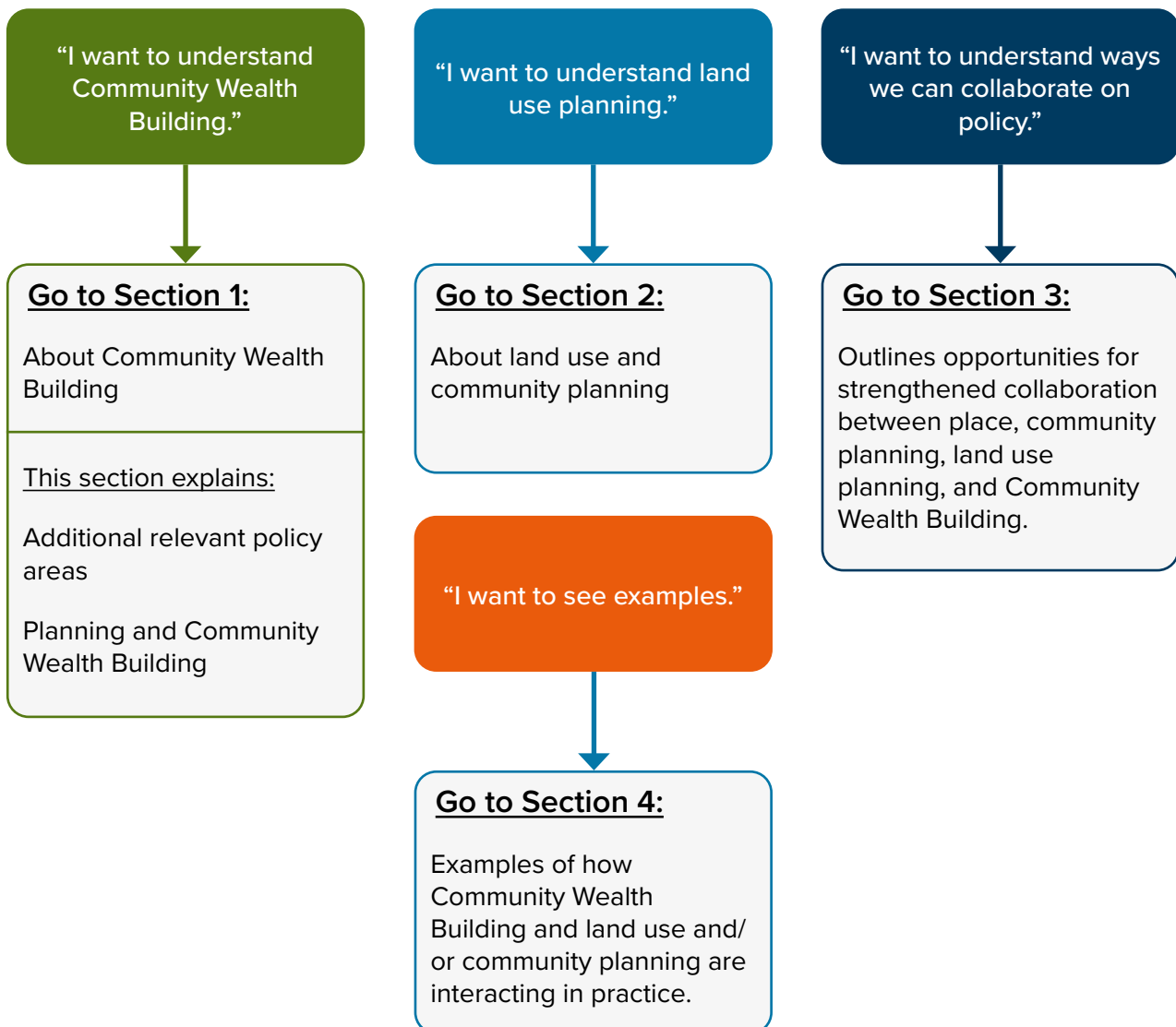
This briefing sets out why Community Wealth Building, land use planning, and community planning should be treated as interconnected delivery systems for improving local outcomes, reducing inequalities, and retaining economic benefits in Scotland. The intended purpose is to identify practical opportunities for professionals in these fields to align planning, Community Wealth Building, and place-based improvements.

Key messages:

- ◆ Community Wealth Building, land use planning, and community planning are mutually reinforcing systems for shaping local investment, land use decisions, and public-sector action around shared outcomes.
- ◆ The Community Wealth Building (Scotland) Act 2026 gives public bodies a stronger statutory basis to generate and retain wealth locally, with implications for planning, procurement, and climate action.
- ◆ Planning authorities can support Community Wealth Building through Local Development Plans, Local Place Plans, development management, planning obligations, and the reuse of vacant and derelict land.
- ◆ Community Planning Partnerships provide a route for embedding Community Wealth Building within Local Outcomes Improvement Plans and Locality Plans, particularly where the aim is to reduce inequalities in specific places.
- ◆ Good practice examples show that councils are already translating Community Wealth Building principles into practical action through planning policy, community planning frameworks, and developer engagement.
- ◆ An important opportunity is to connect Community Wealth Building duties and land use planning with local insight, including evidence from Local Place Plans, Locality Plans, community-led action plans and other tools for community engagement.

How to navigate the briefing

Figure 1



1. What Community Wealth Building is for Planning Officers

1.1 The Community Wealth Building Model

Community Wealth Building (CWB) developed as a response to the limitations of traditional approaches to economic development. These approaches are based on the need for constant economic growth and an assumption that if the economy grows it will create wealth for all. The evidence of ongoing and increasing poverty, however, demonstrates that this wealth is not 'trickling down' to those most in need. In addition, the wealth that is generated locally, through wages and local business activity, is too often extracted from the locality through spend with national and international companies and the profit enjoyed elsewhere.

Community Wealth Building is a place-based approach: it seeks to reduce inequality by taking proactive action to support local inclusive economies.

Anchor organisations are key to delivering Community Wealth Building.

Anchor organisations are large commercial public and social sector organisations (including local authorities) which have a significant stake in a place. By acting intentionally and strategically across the levers over which these organisations have influence, they can exert a sizeable impact on local economies.

The Community Wealth Building model is based on 5 pillars which represent the levers anchor organisations can influence to build a more inclusive and democratic economy.



1. **Inclusive ownership** – Developing more local and inclusive enterprises which generate community wealth, including social enterprises, employee-owned firms, and cooperatives. More inclusive and democratically owned enterprises and assets mean the wealth created locally and by local people stays in those communities in the form of incomes and profits.
2. **Workforce** – Increasing fair work¹ and developing local labour markets that support the prosperity and wellbeing of communities. Access to local and fair employment opportunities, fairer wages, skills development opportunities and improved wellbeing of employees.
3. **Finance** – Ensuring that flows of investment and financial institutions work for local people, communities, and businesses. Money and investment are retained in a local area and are available to support communities and businesses.
4. **Land and Property** – Growing the social, ecological, financial, and economic value that local communities gain from land and property assets. Land and property are used for the common good and benefit communities, small and medium-sized enterprises (SMEs) and micro-businesses and the environment.
5. **Spending** – Maximising community, worker and business benefits through procurement and commissioning, developing impact enterprises, Fair Work, and shorter supply chains. Higher levels of spend with SMEs, micro-businesses and inclusive business models resulting in business growth and improved, resilient local and regional economies.

Increasingly, 'Climate' is considered a sixth pillar within this model and is recognised as such in the legislation. Measures that support local climate resilience and mitigation of the effects of climate change are understood to be inextricable from any economic strategy aiming to reduce inequalities.

¹ [Fair work](#) means secure employment with fair pay and conditions, where workers are heard and represented, treated with respect and have opportunities to progress.

1.2 The Community Wealth Building (Scotland) Act 2026

While the [2026 Act](#) provides a new statutory framework for Community Wealth Building in Scotland, it builds on earlier work by five pilot areas and wider sharing of local practice. Many local authorities have therefore been developing Community Wealth Building approaches since around 2020².

The recent, unanimously supported Community Wealth Building (Scotland) Act 2026 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 Act creates a strategic foundation for Community Wealth Building in Scotland.

The Act as passed makes provisions in three ways:

- ◆ Community Wealth Building Statement
- ◆ Community Wealth Building Action Plan
- ◆ Community Wealth Building Guidance

Community Wealth Building Statement

Scottish Ministers are required to prepare and publish a Community Wealth Building statement within 18 months of the Act coming into force, and to review it every five years thereafter. Ministers may make regulations setting the format of the statement and must report on the impact of the statement in achieving its aims. A draft statement must be published for consultation with local authorities, inclusive, democratic businesses³, and any other people or organisations Ministers consider 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, for example:

- ◆ Using procurement to strengthen local economies.
- ◆ Promoting fair work, skills, and workforce development.

² Example: North Ayrshire Council's [Community Wealth Building Strategy](#) (2024-2027)

³ "An Inclusive and Democratic Business Model (IDBM) is a business model which refers to business structures giving employees and communities a genuine stake in decision-making processes and profits, fostering a shared sense of responsibility and investment in long-term success. Inclusive democratic business models focus on economic democracy, inclusivity, and sustainability". [More information](#).

- ◆ 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.

Community Wealth Building Action Plan

A local authority and the relevant public bodies are collectively referred to in the Act as a “Community Wealth Building partnership”.

Relevant public bodies include:

- ◆ Local Authority
- ◆ Regional college
- ◆ Health Boards
- ◆ Enterprise agencies
- ◆ Skills Development Scotland
- ◆ Regional Transport Partnership

Together, the Community Wealth Building partnership must prepare a Community Wealth Building (CWB) [action plan](#), aligned with the CWB statement and with a 5-year reporting cycle⁴.

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.

Community Wealth Building Partnerships must consult on their CWB action plan with people and organisations directly affected, such as representatives of the community, businesses, third sector, social enterprises, and others considered appropriate. Planning authorities may be consulted on these CWB action plans through this process.

Plans must:

- ◆ Include indicators to measure progress of implementation⁵
- ◆ 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.

4 The Community Wealth Building Partnership will have 3 years to produce their first CWB Action Plan once this section of the Act comes into force.

5 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. See [section 5\(10\)](#) for a list of possible measures.

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.

There are additional measures for action plans that may be included, see Section 5(7) in [the legislation](#) for more information.

Community Wealth Building Guidance

The Scottish Ministers must issue guidance about:

- ◆ Community Wealth Building action plans, including all measures under section 5(7) of the Act, (which sets out the measures that may and must be included in plans)
- ◆ 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 Scottish Ministers will revise the guidance as and when appropriate. Both relevant and specified public bodies⁶ must be consulted before issuing guidance.

1.3 Wellbeing Economy and Adjacent policy

The Scottish Government has adopted Community Wealth Building as a practical approach to economic development that can help advance their vision of a wellbeing economy.

A wellbeing economy is an economic system operating within safe environmental limits, that serves the collective wellbeing of current and future generations⁷.

Community Wealth Building provides a cohesive strategic framework to build on some of the progressive policy actions already underway in Scotland to progress towards a wellbeing economy.

Examples of other Scottish Government policies that help advance wellbeing economy outcomes in practice include:

- ◆ [Fair Work Action Plan](#)
- ◆ [Just Transition](#)
- ◆ [Green Industrial Strategy](#)
- ◆ **Community Wealth Building**
- ◆ [Land Reform](#)
- ◆ [Circular Economy](#)

⁶ “Specified bodies” are a longer list of public bodies (page 5 of the [IS The Community Wealth Building \(Scotland\) Act 2026](#) document). They must have due regard for the Community Wealth Building guidance when issuing and developing their corporate plans and delivery strategies.

⁷ [Scotland’s Wellbeing Economy](#) (2025)

1.4 Planning and Community Wealth Building

Ownership, management, and use of land are central to Community Wealth Building and to the strength of local economies. The decisions taken about land have consequences across everyday life, influencing the affordability and availability of housing, access to greenspace, the impact of vacant and derelict sites on communities, the scope for local climate action, and the capacity and confidence of people to establish businesses and build community organisations.

Each of the Community Wealth Building pillars has links with legislation and areas of local authority operations. The most relevant to planning are the Land and Property and Climate pillars, although Workforce, Spending, Finance, and Inclusive ownership are also relevant to how land use development is shaped and delivered.

Land and Property – Growing social, ecological, financial, and economic value that local communities gain from land and property assets. Land and property are used for the common good and benefit communities, small and medium-sized enterprises (SMEs) and micro-businesses, and the environment.

The Scottish Land Commission⁸ identifies six key areas where action can support a Community Wealth Building approach to managing land and buildings:

1. Supporting net zero ambitions and sustainable development
2. Positive management of land and assets – proactively managing estates
3. Productive re-use of land and buildings – addressing vacant and derelict land
4. Collaboration and partnership – Engaging with communities and involving others in decisions about land and buildings
5. Supporting economic growth and community aspirations – Promoting and enabling diversified ownership and management of land and buildings, including community ownership
6. Sharing information – Being open and transparent about land and buildings and about decision-making processes and plans.

⁸ Scottish Land Commission's [Community Wealth Building and Land Guidance](#) (2022)

Place-based approach

Place-based approaches provide another important connection between planning and Community Wealth Building. They both focus on how the unique needs and characteristics of places can be developed to deliver better outcomes for local people.

Local evidence from a place-based approach can help to ensure that investment, planning decisions, and economic development support resilient and equitable places. Land use planning contributes land, infrastructure, and development needs, while community planning can provide community priorities. Community Wealth Building complements these by focusing on the people who would benefit from these changes and how benefits can be retained locally.

Another strong place-based overlap for these policy areas is the Place and Wellbeing Outcomes, which are the evidenced features of a place that support wellbeing. For example, the Work and Economy outcome seeks to ensure everyone can access good jobs, training, and business opportunities. Other linked outcomes include Housing and Community, Identity and Belonging, and Public Transport. These outcomes all deliver on the same fundamental principles that shape both Community Wealth Building and land use and community planning.



2. Land Use and Community Planning for Community Wealth Building Practitioners

This section gives an overview of land use and community planning in Scotland to enhance the reader's understanding of the planning system and where it can contribute to Community Wealth Building.

2.1 Land use planning

Planning (Scotland) Act 2019

[The Planning \(Scotland\) Act 2019 \(Planning Act\)](#) is the main piece of legislation that guides the planning system in Scotland. It introduced significant changes to strengthen the influence of planning to better support place quality, community wellbeing, and sustainable development. The Planning Act embeds a statutory purpose for planning “to manage the development and use of land in the long-term public interest”. The Planning Act also places greater emphasis on community engagement and delivering tangible benefits to people's lives.

National Planning Framework 4

The [National Planning Framework 4](#) (NPF4) is Scotland's national spatial strategy. It establishes a vision for places that are sustainable, liveable, productive, and resilient. NPF4 supports Community Wealth Building by encouraging opportunities for local employment, community ownership, connecting local assets, and meaningful community engagement.

Some of the NPF4 policies that have the strongest links to Community Wealth Building include:

- ◆ *Policy 7: Historic assets and places* – Protects and enhances historic community assets and places for the benefit of economic and cultural identity.
- ◆ *Policy 9: Brownfield, vacant and derelict land* – Promotes regeneration of underutilised sites, which can improve neighbourhood quality and release space for affordable housing, employment opportunities, and community amenities.
- ◆ *Policy 14: Design, quality, and place* – Ensures community engagement and consideration of the impact that a place's features have on the people living there.
- ◆ *Policy 15: Local living and 20-minute neighbourhoods* – Encourages the development of a network of neighbourhoods which support access to local infrastructure, reduce inequalities, and are resilient to the effects of climate change.
- ◆ **Policy 25: Community Wealth Building** – Promotes and facilitates a new strategic approach to economic development that also provides a practical model for building a wellbeing economy at local, regional, and national levels.

Role of Planning Authorities

There are 34 planning authorities in Scotland: the 32 local authorities and two national park authorities. They are responsible for administering the three key parts to the planning system:

Development planning

Planning authorities guide the future use of land and buildings in cities, towns, and rural areas through plans, policies, and guidance. All planning authorities are required to prepare a [Local Development Plan \(LDP\)](#) for their area. Local Development Plans are the primary tool for guiding land use at a local level by setting out how the area will change over the next 10-20 years.

[Local Place Plans](#) are community-led plans within the Local Development Plan process, which set out proposals for the development and use of land. These plans can highlight local barriers, influence investment, and identify sites for community developments.

Development management

Planning authorities make decisions on planning applications. These [decisions must be guided](#) by policies in the Local Development Plan.

Under some circumstances, a planning permission will not be completed until a legal agreement has been signed by the applicant and the planning authority. The agreement can refer to any aspect of the development and often covers financial contributions to be made by the applicant to meet the costs to public services created by the development. Where a planning obligation is considered essential, it must have a relevant planning purpose and must always be related and proportionate in scale and kind to the development in question. There is a series of policy tests which are applied when undertaking an assessment for whether an obligation would be required⁹.

Planning authorities may use a compulsory purchase order to acquire land or buildings for public interest purposes. This may include property to enable private development to achieve a priority aim of the Local Development Plan.

Development Enforcement

Planning authorities make sure development is carried out correctly and [take action](#) when it is not.

Engagement at the development management and enforcement stages is usually focused on a specific proposal. This differs from development planning, where engagement is used to understand community priorities and shape the overall spatial strategy for an area.

⁹ [Planning Obligations and Good Neighbour Agreements \(Revised November 2020\): Planning Circular 3/2012](#)

2.2 Community Planning

In community planning, local authorities and community partners work together to improve outcomes for people and places. The [Community Empowerment \(Scotland\) Act 2015](#) (Community Empowerment Act) aims to increase participation in local decision-making and ensure that public services respond to the needs of communities. It requires Community Planning Partnerships to prepare Local Outcome Improvement Plans and Locality Plans.

Community Planning Partnerships

The main objective of *Community Planning Partnerships* is to target a reduction in social and economic inequalities across council areas by aligning local priorities, resources, and services. Each Community Planning Partnership coordinates strategic local action by bringing together local authorities, NHS boards, and other public, third sector and community organisations. Community Planning Partnerships are responsible for producing two types of plans to describe their local priorities and planned improvements:

Local Outcomes Improvement Plans: which cover the whole council area; and

Locality Plans: which cover smaller areas within the council area, usually focusing on areas that will benefit most from improvement.

Local Outcome Improvement Plans

Local Outcome Improvement Plans outline the strategic priorities for improving outcomes across the entire local authority area. They are informed by community engagement and evidence on inequalities. Planning authorities can use the Local Outcome Improvement Plan priorities to inform wider decision-making within Local Development Plans and helping to ensure future developments align with community needs and reduce inequalities.

Locality Plans

Locality Plans focus on smaller geographical areas to deliver focused and community-driven initiatives where it is most urgently needed. Each Community Planning Partnership will produce at least one Locality Plan, and there may be many Locality Plans within one council area. These focused areas highlight the places that most need support people experiencing poorer outcomes. Locality Plans provide an opportunity to provide detailed input of the voices of people experiencing inequity and may also inform planning development through Local Place Plans.

Community-led Action Plans

Community-led Action Plans are for communities taking the lead in understanding their priorities, helping to inform decision-making and address community needs. With support from local organisations or community groups, these plans are led by the residents of the area, ensuring that the diverse experiences of those living locally are reflected. These plans provide a mechanism to embed equity and lived experience into the planning process and wider place-based decision-making, and can support communities in a variety of contexts, including rural, urban, and mixed-geography settings.

3. Opportunities to strengthen collaboration and recommendations

Planning in Scotland can support Community Wealth Building by using the existing land use and community planning systems to shape development outcomes, so that more wealth and opportunities are retained locally. Ways in which this can occur are:

- ◆ The use of Local Development Plans to prepare opportunities for Community Wealth Building. This could include an overarching policy to support Community Wealth Building, while also allocating land for affordable housing and local businesses to support diversification of local economies. Strategic development can support local living by directing development toward coalescing business, work, services and amenities, thereby increasing localised access and economic development.
- ◆ Prioritising the productive reuse of vacant and derelict land where this can support community ownership, local enterprise, affordable housing, greenspace, or other community-benefiting uses.
- ◆ Using development agreements, planning obligations and related procurement processes, where appropriate, to encourage local employment, apprenticeships, and supply chains in larger developments. These can support the wealth being generated by development to be retained locally. This can help retain more of the wealth generated by development within the local economy.
- ◆ Ensuring that community anchor organisations and local communities are participating in the collaborative planning process through the available mechanisms such as Local Place Plans and community planning. Planning authorities have the potential to be the initial conveners of a range of organisations across health, education, social care, and more, and can be advocates for Community Wealth Building practices.
- ◆ Embed Community Wealth Building through Local Outcome Improvement Plans as a means of reducing inequalities in local places. These should also align with the forthcoming Community Wealth Building Plans as required by the 2026 Act.
- ◆ Taking a place-based approach and use of tools such as the Place and Wellbeing Outcomes and the Place Standard Tool can also support alignment of land use planning, community planning, and Community Wealth Building.

Key questions for planning officers to consider when identifying Community Wealth Building in a planning development proposal:

- ◆ Does the development create good quality local jobs, training opportunities and apprenticeships? Is anything being done to enhance this offer beyond what has been proposed?
- ◆ Is there scope for any element of the development to be delivered by a social enterprise, co-op or community body? For example, consider cleaning, catering, or furniture as part of the supply chain of services that local providers could supply. And if so, have these been identified and pursued?
- ◆ Is there evidence in the proposal that developers are looking to contribute to specific community-identified needs?
- ◆ Has the developer considered how procurement or contracts could be structured to make opportunities accessible to smaller and locally based organisations?
- ◆ Does the development create opportunities for community access to or ownership of land, buildings, or other assets?
- ◆ Could community benefits be linked to priorities already identified through local place plans, community action plans or other locally developed evidence?
- ◆ What benefits will remain within the community once construction is complete?

4. Areas of good practice

The examples below illustrate how land use planning and community planning can contribute to Community Wealth Building in practice. They are not exhaustive, but show how councils are using planning policy, community planning frameworks and developer engagement to embed Community Wealth Building principles in local decision-making.

4.1 East Ayrshire Local Development Plan 2

In 2024 East Ayrshire Council adopted their [Local Development Plan 2](#) (LDP2), which builds on an existing history of Community Wealth Building strategies and is an excellent example of how development planning policy can support Community Wealth Building. The LDP2 has a dedicated Community Wealth Building policy (SS9), which supports developments by and for communities as well as net zero climate action. The related Skills and Employment policy (SS10) requires major developments to submit a skills and engagement plan. The council further expanded on the skills and employment plans through their [non-statutory guidance](#), which provides greater detail of the implementation of this policy. Applicants are required to demonstrate how they will provide training and employment opportunities for East Ayrshire residents and how supply chains and maintenance arrangements will maximise benefits to the local economy.

4.2 Midlothian Local Development Plan

Midlothian's [2027-2037 Local Development Plan](#) has a dedicated policy; *ECON1 Community Wealth Building*.

This sits at the outset of the Employment and Economy chapter of the plan and references NPF4 Policy 25. It states that “*Midlothian Council will encourage developers to provide local benefits through a permanent skills and training legacy and to participate in the Council’s community benefits framework*”.

ECON1 supports developments that will:

- ◆ Promote opportunities for local employment and skills development;
- ◆ Provide flexible and affordable workspace to support locally based enterprises, businesses, employers, co-operatives and social businesses; or
- ◆ Enable the productive use of land and buildings for community-led projects and local rooted economic activity.

4.3 Clackmannanshire Alliance Wellbeing Local Outcomes Improvement Plan

Clackmannanshire Alliance's Wellbeing [Local Outcomes Improvement Plan 2024–2034](#) shows how Community Wealth Building can be built into a community planning partnership's core statutory plan. The Alliance's ten-year vision is a wellbeing economy delivered through Community Wealth Building principles, developed from an evidence base that includes a CWB Action Plan produced with the Centre for Local Economic Strategies. The Economy and Skills strategic outcome is framed explicitly around CWB principles, with partnership priorities to implement the CWB action plan and a Good Employment Charter, harness the collective power of local anchor organisations through the Clackmannanshire Anchor Partnership, and grow the business base with a particular focus on social enterprises, co-operative models and employee-owned businesses.

Community Wealth Building is also visible in the performance framework, where the high-level dashboard tracks local procurement spend, assets in community ownership, apprenticeship numbers and the gender pay gap, and the Alliance notes that dedicated community wealth and health building measures are in development.

4.4 Aberdeenshire Council's Energy Developments Community Wealth Building Charter

This [Charter for Energy Development](#) sets out the Community Wealth Building expectations and principles to ensure alignment with policies 11 and 25 contained within NPF4 for energy development in Aberdeenshire. This Charter sets out what Aberdeenshire Council expects from energy development including renewables and infrastructure and how in return the council will enable this contribution. It aims to:

- ◆ Embed an approach to Community Wealth Building across energy development Aberdeenshire
- ◆ Provide a guide for developers as to how to meet the policy requirements of NPF4 and deliver maximum benefit for affected communities
- ◆ Engage all relevant stakeholders in identifying how to maximise socio-economic benefits
- ◆ Unlock economic opportunities for the area

4.5 Highland Council's Social Value Charter

The Highland Council's [Social Value Charter for Renewables Investment](#) shows how a council can use the levers of the planning system to turn NPF4's Community Wealth Building policies into a consistent negotiating position with developers. The charter is voluntary; however, it gives planners, economic development officers, and community planning partners a single published statement of what Highland expects, so that everyone is negotiating from the same position.

The approach rests on NPF4 Policy 11, which requires renewable proposals to maximise net economic impact including local and community socio-economic benefits, and Policy 25, which supports proposals that contribute to Community Wealth Building strategies and align with local economic priorities.

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