

# Building Futures in Rural Scotland

Recommendations by SEDA Land



Building Futures in Rural  
Scotland

4

**OVER TO YOU  
HOLYROOD**

22 February 4-6 pm

Eleanor Fraser

9<sup>th</sup> April 2024

Overview: *Building Futures in Rural Scotland*

Davy McCracken, Jane Atterton, David Miller & Gail Halvorsen



## Building Futures in Rural Scotland

An event held at MacDonald Hotel, Aviemore on 22<sup>nd</sup> February 2024

### Chaired by

**Megan MacInnes**, Applecross Community Company

### Panel Members

**Morven Fancey**, Highlands & Islands Enterprise

**Helen MacDonald**, Mull & Iona Community Trust

**Ronnie MacRae**, Communities Housing Trust

**Chris Morgan**, John Gilbert Architects

**Craig White**, Agile Homes

**Niall Curran**, Scottish Futures Trust

### Artistic Pieces

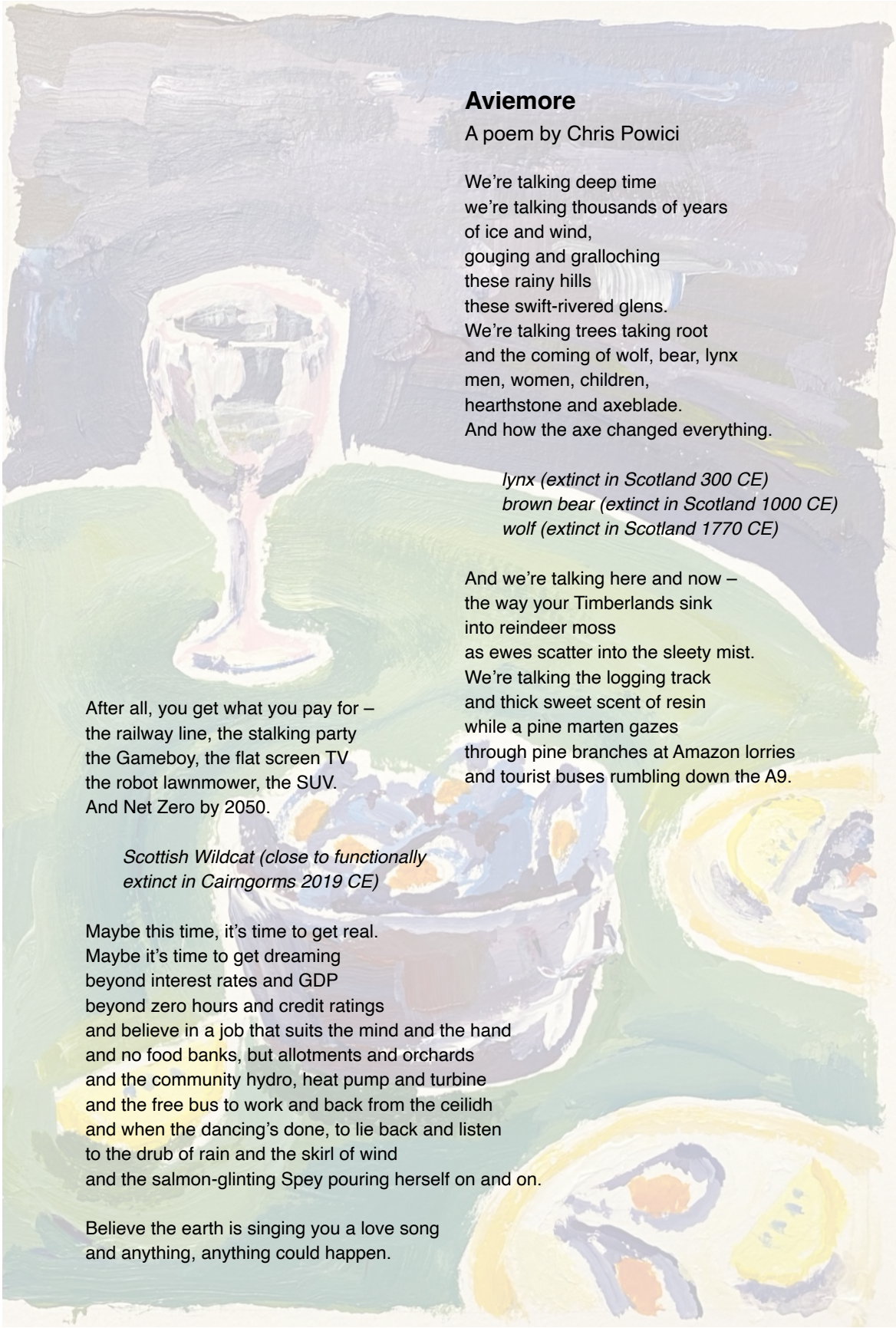
**Moteh Parrot**, musician

**Chris Powici**, poet

The full Conversation can be viewed [here](#)

This series of Conversations was funded by the *Scottish Government Climate Change Engagement Programme* and *SEFARI Gateway*, and was organised through collaboration between SEDA Land, The James Hutton Institute and Scotland's Rural College.





## Aviemore

A poem by Chris Powici

We're talking deep time  
we're talking thousands of years  
of ice and wind,  
gouging and gralloching  
these rainy hills  
these swift-rivered glens.  
We're talking trees taking root  
and the coming of wolf, bear, lynx  
men, women, children,  
hearthstone and axeblade.  
And how the axe changed everything.

*lynx (extinct in Scotland 300 CE)*  
*brown bear (extinct in Scotland 1000 CE)*  
*wolf (extinct in Scotland 1770 CE)*

After all, you get what you pay for –  
the railway line, the stalking party  
the Gameboy, the flat screen TV  
the robot lawnmower, the SUV.  
And Net Zero by 2050.

*Scottish Wildcat (close to functionally  
extinct in Cairngorms 2019 CE)*

Maybe this time, it's time to get real.  
Maybe it's time to get dreaming  
beyond interest rates and GDP  
beyond zero hours and credit ratings  
and believe in a job that suits the mind and the hand  
and no food banks, but allotments and orchards  
and the community hydro, heat pump and turbine  
and the free bus to work and back from the ceilidh  
and when the dancing's done, to lie back and listen  
to the drub of rain and the skirl of wind  
and the salmon-glinting Spey pouring herself on and on.

Believe the earth is singing you a love song  
and anything, anything could happen.

## KEY FINDINGS

- 1. More needs to be done to increase access to land by communities for them to build new homes.** The *Land Reform (Scotland) Bill 2024* currently going through the consultation process, potentially increases the opportunities for communities to access more land for the building of houses. In the interim, Scottish Government, its agencies and Local Authorities should release more of the land under their direct control and ring-fence it for affordable homes.
- 2. Social value needs to be widely defined and included in the assessment of all new homes**  
**Generally**, land for development is assessed in economic terms rather than considering the multiple long-term benefits that can be provided for the community (such as reducing the long-term burden on the NHS and enabling local schools to remain open). There is a need to present, in a different context, the rationale for establishing housing and related community facilities in rural areas. Across rural Scotland, Community Led Local Development (CLLD) groups are using the *Social Value Engine* to monitor and measure the impacts of CLLD funding. The Scottish Government should consider lessons learnt from this approach with a view to its use in relation to investments in housing.
- 3. Decentralisation and empowering communities and local groups is key to addressing current housing issues in rural Scotland.** There is a need to decentralise funding decision-making and enable community groups to develop projects at the scales relevant to their need. Scottish Government should establish a team of professionals dedicated to sharing knowledge and lessons learned to support organisations which seek to share in their learning. In many cases it is the inability to access funding which is the main constraining factor for community group partnerships. There is a need to decentralise funding decision-making and enable community groups to develop projects at the scales relevant to their need. Local Authorities should be given the powers to grant Resource Planning Assumption funding to community groups to deliver housing projects where there is an identified local need.
- 4. A step change is required in the planning system** Scottish Government needs to ensure implementing of national Planning Framework 4. Activity is development-led but there is an urgent need to ensure that the economic, social and environmental considerations are also acted upon. The completion of Local Place Plans (LPPs) offer an opportunity of empowering communities to decide where the social value lies in local assets. However, currently communities need to hire consultants to help them complete a LPP, the requirements of which are overly complex.
- 5. Alternative building and financial models must be part of the overall provision of new homes** To encourage small, community-led rural developments – such as repurposing old or developing new buildings - a simpler, fast track planning system is needed. Scottish Government should consider the scope for co-building, self-building and partial-building to help address the housing crisis, and make it possible for more people to build their own homes. Local authorities should show leadership by releasing land and providing the necessary infrastructure for self builds. Innovative financial models have potential roles to play, such as transferring land ownership and service management into stewardship trusts, or encouraging new forms of finance (e.g. from pension funds) to be directed into the provision of new housing. As highlighted by the Scottish Land Commission, the Scottish Government should consider the suitability of models used in other countries (e.g. Germany) being applied in Scotland.

## FOCUS

*“We already know what the problems are.  
We need more houses not more research.”*

The aim of SEDA Land’s *Building Futures* series was to stimulate more sustainable placemaking in rural Scotland to reverse depopulation – through a focus on housing, communal spaces, workplaces, economic development and infrastructure.

Previous *Building Futures* events looked at how local government can be more proactive in engagement with communities, housing associations, housing co-operatives and self-builders to promote more public interest-led developments.

This was the fourth Conversation in the series, focusing on what the Scottish Government can do to speed up the creation of more sustainable communities, referring to obstacles identified in the previous Conversations.

## DISCUSSION

The ongoing climate and biodiversity emergencies provide unprecedented threats, but also economic opportunities for rural Scotland.

Currently, there is the potential for thousands of jobs to be created in rural Scotland associated with renewable energy and energy transmission. There is recognition that the wider rural workforce needs to grow to undertake large-scale peatland restoration and new woodlands which is needed to create conditions for achieving climate change related targets by 2045.

However, there is a danger that the current lack of affordable housing across rural Scotland will severely constrain the uptake of opportunities as a consequence of companies and new businesses being unable to attract or retain the skilled workforce required. Some rural businesses have had to close, and/or have struggled to recruit new or replacement staff, due to a lack of accommodation for their employees, an example of which is the Mull-based Ethical Shellfish Company.

The issues associated with rural depopulation are recognised across Scottish Government and Local Authorities. Currently there is insufficient understanding and recognition at both those levels of there being jobs available but which are not being filled - and new jobs opportunities arising – and hence a need to ensure adequate provision of new and appropriate housing. There is an urgent need to set the importance of affordable housing in rural Scotland in a broader context, especially its connections with tackling depopulation, achieving a sustainable rural economy, and achieving net zero ambitions.

Increasing reliance is being placed upon community groups to deliver new housing stock. It is recognised that communities are already working in joined up ways and thinking about the futures of their places by looking at all of the local resources and assets available to them. Although there are some good examples of partnership working – see the Ulva Ferry case study below – such partnerships face challenges in being able to access sufficient finance or tackle planning regulations. Hence, there is a need for joined-up thinking to happen at the Scottish Government and Local Authority level. This message is consistent with those of the preceding three *Building Futures* Conversations.

Decentralisation and empowering communities and local groups is seen as key to addressing current housing issues in rural Scotland. There are willing partners, and know-how and funding to create circular economies and stronger sustainable communities.

More needs to be delivered to bring multiple benefits in terms of regeneration, new employment, repopulation and net zero to rural Scotland. However, this will only happen with support from the Scottish Government - and other strategic and enabling bodies – through willingness to facilitate working in partnership in ways that empower communities and local groups.

## BARRIERS

There are many examples of communities taking the initiative with the provision of housing, demonstrating what can be achieved even with small-scale developments in small communities. There is a willingness amongst communities to do more – but the primary blockage is a lack of access to sufficient funding. Therefore, there is a need to consider how best to enable communities to access funds, not only to access land and build houses but - just as importantly - to support and maintain the human capacity which is needed in those communities to identify and drive forward partnership projects.

Currently, the funding available for the latter is piecemeal and does not allow community development officers/workers to continue their work (beyond short term funding cycles) to provide sustainability/consistency to the developments within each community.

The energy and know-how are strong within community groups but the capacity and competence are not always available, and government can be slow to act. Rather than seek centralisation of control, there is a need for Scottish Government to find better ways to enable funding to flow into the right spaces, and to ensure there are enabling organisations willing and able to support communities.



The GALE Centre community hub, Achtercairn, Gairloch, Highland Small Communities Housing Trust



East Whins Eco Village, Findhorn with co-housing facilities by John Gilbert Architects



## SOLUTIONS

### **1) Increasing community access to land to build new homes**

The Scottish Government has policies in place to increase community access to land, which have been embraced by many communities. However, more needs to be done to enable communities to access land to build new homes.

The *Land Reform (Scotland) Bill 2024*, currently going through its consultation process, includes a requirement for community bodies to receive prior notification, in certain cases, that the owner intends to transfer a large landholding, or part of it, and provide an opportunity for community bodies in the area to purchase the land. If the Bill becomes legislation there is a potential that it provides to increase opportunities for communities to access land for housing. However, the benefits to be gained in terms of such new housing will depend upon how close that land is to existing infrastructure (such as power and water).

In the interim, the Scottish Government, its agencies and Local Authorities could free more land under their direct control and ring-fencing it for affordable homes.

### **2) Social value needs to be widely defined and included in the assessment of all new homes**

Due to time and financial pressures, Local Authorities tend to assess land for development in economic terms rather than looking at the multiple long-term benefits that can be provided for the community.

There is a need to present, in a different context, the rationale for establishing housing and related community facilities in rural areas. This should include appropriate measures of success. Success is usually measured in terms of the number of houses built and their affordability compared to the existing market. However, of equal importance are the benefits to factors such as health and well-being (e.g. reducing the long-term burden on the NHS) and re-population (e.g. enabling local schools to remain open).

Social value needs to be better defined and made legally based. Local Authorities could lead by defining and calculating social value within their local communities. Well-being should be at the heart of this task, with an aim to generating long-term value rather than short-term profit. This would be consistent with the Scottish Government commitment to placing well-being at the heart of its policies, and adoption of the internationally recognised *Community Wealth Building* approach.

The current cost/benefit calculations need to be more flexible to justify making more grant available for the same number of affordable homes. Broadening consideration of benefits – to include regeneration, new employment, repopulation and net zero – would be a better reflection of the local impacts than only using the number of homes and affordability.

Some councils in England (e.g. Bristol City Council) use social value matrices to measure the benefits linked to housing. Across rural Scotland, Community Led Local Development (CLLD) groups are using the *Social Value Engine* to monitor and measure the impacts of CLLD funding. The Scottish Government should consider lessons learnt from this approach with a view to its use in relation to investments in housing.

### **3) Decentralisation and empowering communities and local groups is key to addressing current housing issues in rural Scotland**

There is an urgent need to learn lessons and do more in addressing housing issues to make a difference across rural Scotland. There is an insufficient pooling of knowledge amongst communities which are building affordable homes and community facilities. As a result much time and energy is wasted re-learning lessons and solutions already identified elsewhere. Scottish Government should establish a team of professionals dedicated to sharing knowledge and lessons learned to support organisations – such as Rural Housing Scotland – which seek to share in their learning.



There is an increased need for knowledge-sharing. The *Planning Infrastructure and Place Action Group* may be a suitable forum for such sharing and for improved listening to views of those working on the ground.

In many cases it is the inability to access funding – as opposed to funding not being available – which is the main constraining factor for community partnerships. Intermediary bodies such as housing trusts are in a good position to help communities, however the current system does not make good use of knowledge available. It would be more effective if grant applications were made jointly between communities (with local knowledge) and experts (with professional knowledge) who were drawn from intermediary bodies.

The Scottish Government allocates a multi-year Resource Planning Assumption (RPA) budget to help provide the certainty and assurance that Local Authorities and Registered Social Landlords (RSLs) need to plan future housing supplies. However, RSLs do not always utilise the full RPA budget which is available.

In many instances, community groups are seeking to deliver affordable housing in areas of rural Scotland where RSLs are unwilling or unable to do so. Local Authorities should have powers to grant RPA funding to community groups to deliver housing projects where there is an identified local need.

There is a need to decentralise funding decision-making and enable community groups to develop projects at the scales relevant to their need. This requires cross-sector, cooperative working across different policy areas, including environment, repopulation, regeneration, repopulation and housing delivery.

There is a requirement for everyone – communities, agencies, Scottish Government - to be willing and able to work effectively as partners. This should be done in such a way that will help create good places to live, increase local workforces, help with delivery costs and enable local and regional environmental and circular economy benefits.

#### **4) There needs to be a step change in the planning system**

Scottish Government should demonstrate leadership on implementing national Planning Framework 4 (NPF4), with a step change in the planning system. Activity is development-led but there is an urgent need to ensure that the balance of economic, social and environmental considerations is also taken on board.

The concept of the Local Place Plans (LPPs) should be one which provides a means of empowering communities to decide where the social value lies in local assets. However, they are an example of requirements which are overly complex for many communities, who then require financial resources to hire consultants to help complete an LPP. The requirements of LPPs should be reconsidered.

#### **5) Alternative building and financial models must be part of the overall provision of new homes**

The housing crisis in rural Scotland can neither be solved only by supporting new affordable homes, nor can planning fill the gap on its own. There is capacity, money and interest in repurposing old or developing new buildings, probably requiring skills and knowledge that are still to be gained by many mainstream builders.

However, gaining planning permission to renovate/convert/extend existing building stock into homes is disproportionately onerous. There needs to be more agility within the planning system. If small, community-led rural developments are to be encouraged there is a need for a simpler, fast track planning system for such interventions to have the beneficial impacts sought by those communities. For example, an equivalent to the Permitted Development Class 18C for the conversion of agricultural buildings could be applied to all buildings.

Co-building, self-building and partial-building (which can be developed further with time) are all currently under-utilised models in Scotland. There is a need for Scottish Government to consider whether these are useful models that can help address the crisis and - if so - how to make it possible

for more people to build their own homes. Local authorities should show leadership by making land available and providing the necessary infrastructure for self-builds. Potentially, this could realise savings, stimulate local supply chains, and possibly reduce upward pressures on land prices.

There is a need to be innovative and to think-outside-the-box when it comes to reducing the cost of meeting housing needs, in particular the cost of land which is typically 30%-45% of the costs for a typical housing development. The cost to the home-owner could be reduced by transferring land ownership and management of services into stewardship trusts. This model would help to reduce an expectation of return on the land value for current land-owners, reducing costs and spreading them over time. Overall, this can be expected to reduce the direct cost of housing.

Encouraging new sources of finance (such as pension funds seeking longer term investments) for the provision of new housing offers the potential to increase the resources available to meet the rural housing crisis.

In Germany, the State, in collaboration with local communities, decide where development should occur and puts in place the necessary infrastructure. The Scottish Government should consider – as highlighted by the Scottish Land Commission – the lessons to be learnt of such a model and the benefits of their application in Scotland.



Springhill Co-housing, Stroud, Gloucestershire by Architype



Ardgeal, Kinraig by David Somerville Architects: affordable homes built with the Highland Small Communities housing trust

## CASE STUDY: ULVA FERRY

After the Ulva Ferry primary school was threatened with closure in 2010, Ulva School Community Association (USCA) ran a successful campaign to sustain their area and keep the school open.

Through extensive community consultation, led by USCA and Local Development Officers, affordable housing was identified as a top priority for residents in the area which led to a housing project to secure local families.

After four years of hard work and fundraising, this joint venture between the USCA and Mull and Iona Community Trust was fully funded via grants from Argyll & Bute Council, the Quaker Housing Trust, the Trusthouse Charitable Foundation, USCA, the Scottish Government's Rural & Islands Housing Fund and over £20,000 raised from local donations.

Two new high-quality, three-bedroom homes were built next to Ulva Primary School, and in 2017 these were offered for long-term let to local families on secure tenancies. They provided a home to two families and contributed six children to the local primary school role.



Ulva Ferry affordable rental housing, Mull and Iona Community Trust, by Thorne Wyness Architects



## ARTISTIC PIECES

### **Our Hands**

A song by Moteh Parrott

We were on a downhill run  
When things fell out of order  
Our days begun with rising sun  
Now end with rising water

That will swallow us in fierce flow  
Unless we let go lightly babe  
Our leaden load

In empathising with the pain  
Shared by every stranger  
Their faces hiding loaded guns  
Amidst the forest fire

We lighten grieving's laden boughs  
Learn to break through gently babe  
Our heavy clouds

*The learning that's unfolding  
May be sinking like a stone  
But swim against the current  
Knowing you are not alone*

We set our sights on distant lights  
Ever reaching skyward  
Standing down as guardians  
Of this lonely garden

With each unique expression of our time  
Falling through our hands



## Rothiemurchus

A poem by Chris Powici

Three hours to the next shift and you find yourself  
deep among trees, miles from the kitchen's clatter and rush.  
December snow falls, soundlessly, from the dusk sky

into the branches, mixing with the lichen or moss  
or whatever it is, bearding the twigs and bark.  
And snow's falling onto the rough, hummocky ground

between the trunks, the boulders and heather and roots.  
And it's settling into your hair, wetting the skin of your face  
the tips of your ears, even your eyelids for Christ's sake.

Everywhere the vast, soft weight of it, as if the air itself  
is snow, and the trees are breathing it in. Breathing the silence.  
Snow on your lips is the taste of silence. And not a crow

flaps its wings, or a squirrel scurries up a branch.  
But what would be out anyway, in this bone-freezing cold,  
and night coming on? After all, you'll be back

in the kitchen soon enough, back in the steam  
and the noise, peeling, chopping, stirring,  
earning a crust, making do, getting by, and, yes,

the sheer crazy buzz of the job can get the heart pumping  
the blood racing, but you need out for a while,  
away from the heat. So here you are, an hour's walk

from the hotel, from your real life, where the tourists  
wander in summer, and the forest ends up as fodder  
for selfies and postcards, sunlight glittering

on the trees and burns. But tourists don't know the half of it.  
Neither do you. The big pines loom through the snow like  
ragged ghosts  
dragging down the sky. And what have they got to do

with the need to work, to pay the rent, to fill up the car?  
And why, in hell's name, are you stepping off the path?  
You hear stories on the news, in the papers, about people

getting lost in the snow, hardly a mile from the road  
lying down in the forest, and giving in  
to the cold. Dying. Not getting found for weeks, if ever.

So what's making you walk far into the trees  
your boots sinking so deep it's like you're wading  
through cold waves of bracken and heather, just darkness

and snow and the earth like a river under your feet  
the give and tug of it, the tremble and shiver.  
You lean into a tree. The grey bark's wrinkled like elephant skin.

Fierce air floods your throat and lungs, relentless  
and incredible, the surge and rush of it – while you just stand there  
breathing, long and slow, letting the quiet world be. And then

maybe a twig creaks or a cone drops, and you know something  
is watching. The mind clutches at names – hare, stoat, fox – and  
then  
you see her, a haze of fur crouched on a pine root, ears pricked

the sharp glint in her eyes like starlight on granite, and God knows  
she knows the weight of night and the heartbeat of mice.  
And has no words. Her one thought is life.

And you can't show this cold winter reckoning  
on the pay slip or balance sheet;  
and you can't call it a dream, or luck, or fate.

Deep among trees, a wildcat is watching you breathe.  
These are the wages you get for being alive.

The opinions expressed in this overview document are those of the authors. They do not purport to reflect the opinions or views of the funders of the Conversation series.

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