Response from: Institute of Welsh Affairs



# **IWA Briefing: Community Empowerment**

A briefing for the short debate 'Protecting community spaces: taking back control' tabled by Rhys ab Owen MS on 09 03 2022

During 2021 the Institute of Welsh Affairs undertook research into community empowerment measures in Wales, Scotland and England.

We spoke to policy professionals working on this topic, undertook desk-based research into community rights in Scotland and England, and held policy roundtables with community groups and farmers.

### **Key Findings**

- We found that **Welsh communities are the least empowered in Britain**.
- Community groups we spoke to had near-universally negative views of the situation in Wales they told us about an **arbitrary**, **demoralising scenario** with little real process for communities to take ownership of public or private assets.
- Scottish communities have a statutory **right to buy** (essentially a right of first refusal to buy) community assets such as land or pubs when they come up for sale or transfer.
- Scottish communities can even buy assets **without a willing seller** if they are derelict or if it is for sustainable development, if Scottish Ministers agree.
- English communities have a statutory **right to bid** for community assets with a six-month moratorium on sale if communities express an interest.
- English communities also have a **right to build** (small-scale developments such as community-led housing with fewer planning restrictions) and a **right to challenge** to take over public services.
- Welsh communities have **no statutory rights** of this nature— <u>various</u> <u>commissions</u> have recommended Wales develop its own system of community empowerment but this has never materialised.
- We are concerned that some decision-makers do not see the value of community empowerment we believe that as well as revitalising high streets, enabling community-led renewable energy and housing projects, and more, community empowerment is a desirable outcome in itself.



### **Our Recommendations**

**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.



### **YouGov Polling**

We commissioned <u>YouGov polling</u> that found overwhelming support for our recommendations amongst the Welsh public – crucially, amongst all parties and demographic groups in Wales.

1. To what extent, if at all, would you support or oppose the Welsh Government introducing legislation that gives communities a right of first refusal to buy key community assets such as land, village halls and pubs before they are listed on the open market?

#### **Total Support – 68%, Total Oppose – 8%**

2. To what extent, if at all, would you support or oppose the Welsh Government funding grants for communities to buy or lease community assets such as land, village halls and pubs to be run by the community?

#### **Total Support – 71%, Total Oppose – 8%**

3. To what extent, if at all, would you support or oppose the Welsh Government creating a coordinated support package (i.e. advisors, detailed guidance) to help assist communities to run their assets such as land, village halls and pubs?

#### Total Support – 67%, Total Oppose – 9%

4. The Welsh Government, local authorities and public bodies sometimes sell off public assets for various reasons. When a decision is made to sell a public asset, which of the following comes closest to your view?

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Assets should be sold to whoever offers the wider social benefits, even if this is at a lower price – 59%

Assets should be sold to whoever offers the highest price, even if this doesn't have wider benefits – 8%

## **Further Reading**

Our Land: Communities and Land Use - Institute of Welsh Affairs

Libraries and public land lost in Wales as people lack power - report - BBC Wales

Welsh public overwhelmingly back giving communities more land rights, says new poll – Nation.Cymru

IWA report finds support for boosting community right to land - The National

<u>Community Ownership and Empowerment Act would lead to the delivery of more affordable community-led housing in Wales, says Wales Co-operative Centre</u>

Report of the Welsh Co-operative and Mutuals Commission