HERITAGE AND LOCAL BENEFIT: EXPLORING PROCUREMENT, EMPLOYMENT AND COMMUNITY WEALTH BUILDING IN THE HISTORIC ENVIRONMENT

By Ewan Hearns

SCOTTISH GRADUATE SCHOOL FOR ARTS & HUMANITIES
Sgoil Ceumnachaidh na h-Alba airson Ealain agus Daonnachdan

HISTORIC ENVIRONMENT SCOTLAND | ÀRAINNEACHD EACHDRAIDHEIL ALBA

Contents

Executive Summary

This report explores how procurement and employment practices within the heritage sector can better support community wealth building (CWB) outcomes. The research was conducted as part of a three-month internship at Historic Environment Scotland (HES), and funded by the Scottish Graduate School for Arts and Humanities. It builds on a growing policy focus on CWB in Scotland and HES's own strategic commitments outlined in *Our Past, Our Future* (OPOF).

The project asks how the historic environment influences procurement and employment practices, and what opportunities exist to more effectively embed CWB principles across heritage delivery. This focus is particularly timely: in 2022–23, public procurement in Scotland was valued at £16.6 billion, representing around 4.4% of GDP and supporting an estimated 120,000 full-time equivalent jobs. This highlights the potential of procurement to deliver significant economic and social value.[1]

Through detailed case study analysis and a series of semi-structured interviews with staff across HES and external stakeholders, the research examines how institutional processes, sector constraints, and project-level decisions shape outcomes on the ground.

Main Findings

- **Procurement as a Key Lever**
  Procurement was consistently identified as a central mechanism through which heritage funding could generate local benefit. While community benefit clauses are permitted within public contracts, they are not always actively scored or weighted within HES processes. This limits their ability to shape supplier behaviour. HES's work towards piloting a 'Community Benefits Wish List' offers an early example of how clearer expectations can be built into procurement, though further steps are needed to link such tools to scoring and contract monitoring.

- **Uneven Capacity Across Communities**
  Many community-led heritage projects begin with limited administrative or technical capacity, especially in rural or under-resourced areas. Where communities had access to ex-professionals or public sector expertise, they were better positioned to secure funding and manage procurement – though there was still difficulty.

- **Strategic Clarity on CWB**
  Understanding of CWB across HES is variable. While the term is familiar, its operationalisation remains inconsistent. CWB is often perceived as a policy

[1] Scottish Government, *Annual Report on Procurement Activity in Scotland 2022–2023* (Edinburgh: Scottish Government, 2023), 6, https://www.gov.scot/publications/annual-report-procurement-activity-scotland-2022-2023/.

aspiration rather than a practical tool. Interviewees advocated for clearer internal guidance and better integration of CWB across the organisation. This appetite for further guidance also existed amongst community groups.

- **Challenges in Defining Community**
  Ambiguities around who constitutes the 'community' for a given project impacts how benefits are distributed. HES staff and stakeholders suggested that more explicit definitions would help align social value outcomes with local need.

- **Constraints on Employment Outcomes**
  The technical demands of heritage projects often limit employment opportunities for local residents, especially in remote areas. Short-term contracts and the need for accreditation or insurance frequently exclude smaller firms. Interviewees noted that further investment in training, apprenticeships, and skills development are needed if heritage work is to create meaningful pathways into employment.

- **HES as an Anchor Institution**
  HES has a unique role as a national organisation with a local footprint. Several staff emphasised that HES could better leverage its status as an anchor institution by coordinating procurement pipelines, signalling future demand, and shaping the market for heritage-related services in ways that benefit local economies.

Recommendations

- Develop stronger internal guidance on how community benefits are scored and weighted in procurement, moving beyond compliance toward meaningful differentiation of impact.

- Expand early-stage supplier engagement and create clearer pipelines of heritage work, especially in rural areas.

- Provide community groups with tools to build capacity, such as templates, model briefs, and funded coordination support at critical project stages.

- Establish more consistent internal approaches to CWB across HES departments, supported by shared definitions, training, and operational planning tools.

- Encourage applicants and projects to define their target community from the outset and align engagement strategies accordingly.

- Partner with training providers and sector bodies to ensure that heritage investment contributes to long-term employment and skills development.

- Explore ways to coordinate heritage procurement across sites and partners, using HES's anchor status to shape more resilient local supply chains.

These recommendations aim to support HES in embedding CWB principles more effectively across its work, contributing to the broader goal of creating fairer, more inclusive local economies.

Section 1: Introduction

This report presents research undertaken as part of a three-month internship with Historic Environment Scotland (HES), funded by the Scottish Graduate School for Arts and Humanities (SGSAH). It investigates how the historic environment influences local procurement and employment practices. It also explores opportunities to better embed community wealth building (CWB) principles into heritage conservation efforts.

The project took place during a period of increasing national focus on CWB as a strategy for delivering a fairer, more resilient economy in Scotland. In March 2025, the Scottish Government introduced the Community Wealth Building (Scotland) Bill, which aims to place CWB on a statutory footing by requiring local authorities and public bodies to develop and implement CWB action plans.[2] This legislative development underscores the growing commitment to embedding CWB principles across public sector activities.

The importance of CWB is embedded within current heritage sector strategies. *Our Past, Our Future: The Strategy for Scotland's Historic Environment* (OPOF) sets out a commitment to maximising the social, economic, and environmental benefits of heritage assets, including using local procurement and support for community ownership.[3] To support this sectoral commitment, HES is currently developing a new organisational position statement on CWB. This research is intended to inform that work, offering practical insights into how procurement and employment decisions linked to the historic environment can better support local economies.

The project's findings draw on interviews with staff across HES, supplemented by case study analysis of community-led heritage projects. They explore the structural and operational realities that shape how community wealth building ambitions are translated into practice, as well as the challenges and opportunities that exist within current systems. The insights generated through this research will inform final recommendations aimed at strengthening the alignment between heritage conservation and community wealth building outcomes.

Methodology

The project adopted a qualitative research approach, combining desk-based analysis with semi-structured interviews. The research questions were set by HES prior to the internship's inception, and were guided by growing national and organisational interest in using the historic environment to deliver community wealth building outcomes. An initial review of policy, academic, and grey literature on procurement, local economic development, and heritage helped to refine these questions and informed the selection

[2] Scottish Parliament, *Community Wealth Building (Scotland) Bill*, https://www.parliament.scot/bills-and-laws/bills/community-wealth-building-scotland-bill

[3] Historic Environment Scotland, *Our Past, Our Future: The Strategy for Scotland's Historic Environment 2023–2028* (Edinburgh: Historic Environment Scotland, 2023), https://www.historicenvironment.scot/archives-and-research/publications/publication/?publicationId=cab98df6-8ffc-4c7b-8f03-b1db0091d7e0.

of relevant case studies. As the literature review progressed, initial conversations were held with staff across HES to explore how emerging themes were understood within the organisation. Once appropriate case studies were identified, further contacts were introduced by HES staff.

Eight formal interviews were conducted with nine individuals both from within HES and representing the wider heritage and regeneration sectors. These included staff working in procurement, fundraising, economics, grant-making, and economic development, as well as representatives from community trusts involved in heritage-led regeneration. One interview involved two members of the HES Grants team participating together. All interviews followed a semi-structured format and have been anonymised. Insight was also drawn from informal conversations with staff and stakeholders to support and contextualise the findings, particularly where discussions highlighted recurring themes or sector-wide challenges.

Section 2: Literature Review – Community Wealth Building

Community Wealth Building (CWB) is an economic strategy that aims to keep wealth within local communities. This means that profits generated within an area stay in that area to benefit the people who live there. Much of the academic literature on CWB implies that it's a progressive method, utilised to prevent wealth from being extracted by external private interests.[4] The central principle of CWB is to provide value for communities beyond mere profit.[5] The Scottish Government has made CWB a priority, placing it at the heart of the National Strategy for Economic Transformation (NSET).[6] The CWB agenda in Scotland is structured around five pillars designed to facilitate the successful transition to a 'wellbeing economy'.[7] These five pillars are Spending; Inclusive Ownership; Fair Work; Finance; and Land and Property. These pillars seek to fundamentally alter local economies by prioritising collective wealth generation and retention rather than allowing resources to be taken out for private profit.[8] The concept is also prevalent in other nations, having originally been implemented through the 'Cleveland Model' in the United States before being adopted for CLES in the UK in the form of the 'Preston Model'.

Theoretical Principles of CWB

The academic literature around CWB often refers to it as a method by which to promote equality.[9] The term originated in the USA through the 'Cleveland model', a strategy created by the Democracy Collaborative that focused on building community wealth through the creation of worker-owned cooperatives, and using the financial power of anchor institutions.[10] The Cleveland model emphasises four distinct CWB strategies:

- Anchor Institution Engagement: This involves large local organisations, such as hospitals and universities, collaborating to invest in and support the community.
- Worker Cooperatives: These are businesses owned and operated by their employees, ensuring that profits and decision-making remain within the local workforce.

[4] Jack O'Neill, *The Case for Community Wealth Building, p 383* (S.L.: Polity Press, 2019).
[5] Anthony Webster et al., "Local Regeneration and Community Wealth Building–Place Making: Co-Operatives as Agents of Change," *Journal of Place Management and Development* 14, no. 4 (February 1, 2021): 446–61, https://doi.org/10.1108/jpmd-01-2020-0009.
[6] Scottish Government. *Building Community Wealth in Scotland: Consultation Analysis*. Edinburgh: Scottish Government, 2023.
[7] Ibid.
[8] Ibid.
[9] Jack O'Neill, *The Case for Community Wealth Building, p 390* (S.L.: Polity Press, 2019).
[10] Austrian, Ziona, Kathryn W. Hexter, Candi Clouse, and Matt Hrubey. "Living Cities: The Integration Initiative in Cleveland, Ohio-Greater University Circle Community Wealth Building Initiative: Year One Formative and Summative Evaluation Report." (2011).

- Local Procurement: This principle encourages anchor institutions to purchase goods and services from local businesses, thereby boosting the local economy.[11]
- Community Investment: This involves directing financial resources into local projects and businesses to foster economic growth and development within the community.[12]

This model has been replicated and adapted in the UK, with perhaps the most notable example being the 'Preston Model'.[13] This model differs in phrasing, but is broadly similar to the Cleveland Mode. It emphasises Progressive Procurement; Workforce Development; Use of Land and Property; and Community Ownership Models.[14]

Despite some adaptations, CWB approaches broadly mirror the same fundamental principles. Some authors have labelled CWB as a crucial mechanism for transforming economies and democratising wealth.[15] Through broad-based ownership of businesses, land, and infrastructure, it is argued, a more democratic economy can be achieved.[16] Rather than wealth being concentrated in a few corporate hands, CWB supports worker cooperatives, community trusts, public enterprises, and municipally owned businesses as mechanisms to ensure local economic control and stability.[17] Worker cooperatives and community ownership models are seen as practical ways to embed economic democracy, ensuring that decisions about production, wages, and reinvestment are made by local stakeholders rather than absentee investors.[18] Several authors also infer that this shift in economic focus was partly a reaction to the 2008 financial crash.[19] Guinan and O'Neill even describe CWB as a direct challenge to neoliberal economic models, shifting power from multinational corporations to locally controlled economic institutions.[20] Research carried out in the United States has underlined how community-based asset building strengthens collective economic security, particularly for historically marginalised communities.[21] The theoretical principles of CWB are clear: to promote wealth building in communities through

---

[11] "Anchor Institution Engagement," Cleveland Model, accessed February 25, 2025, https://www.clevelandmodel.org/anchor-institution-engagement.
[12] Democracy Collaborative, *The Cleveland Model: How the Evergreen Cooperatives are Building Community Wealth* (2019), accessed February 17, 2025.
[13] Ioannis Prinos, "Community Wealth Building in Preston: Successes and Challenges of Co-Operation in Action," *Bristol University Press eBooks*, October 27, 2023, 198–215, https://doi.org/10.51952/9781529226430.ch011.
[14] Preston City Council, *The Preston Model: Community Wealth Building* (2022), accessed February 17, 2025, https://www.preston.gov.uk/article/1339/What-is-Preston-Model-.
[15] Ibid., p 390.
[16] Jack O'Neill, *The Case for Community Wealth Building, p 390* (S.L.: Polity Press, 2019).
[17] Jessica Gordon Nembhard, "Community-Based Asset Building and Community Wealth," *The Review of Black Political Economy* 41, no. 2 (January 2014): 101–17, https://doi.org/10.1007/s12114-014-9184-z.
[18] Ibid.
[19] Jamie Dennis and Liam Stanley, "The De-Globalisation of Capital? The Political Economy of Community Wealth Building," *New Political Economy*, January 5, 2023, 1–16, https://doi.org/10.1080/13563467.2022.2159353; Jack O'Neill, *The Case for Community Wealth Building*. (S.L.: Polity Press, 2019).
[20] Jack O'Neill, *The Case for Community Wealth Building*. (S.L.: Polity Press, 2019).
[21] Nembhard, 'Community-Based Asset Building and Community Wealth.

initiatives that encourage a localised distribution of wealth as opposed to an unequal extraction of it.

Despite consensus within the literature surrounding the theoretical underpinnings of community wealth building, some authors have questioned the practicality of the principle. One study, for instance, used a Scottish local authority as a case study and found that there was a disconnect between the rhetoric of community wealth building and local engagement and the actual experience of the community.[22] The study highlights tensions between local authorities and community groups, where councils retain significant control over funding and decision-making despite the overarching message of 'community-led' development.[23] This leads to a disconnect between the stated goals of CWB and its actual execution. Community groups often report that consultation exercises feel performative rather than participatory.[24] Moreover, some research has underlined the difficulty in addressing national inequalities as some regions have significantly fewer resources to leverage.[25] Some authors consequently point out that focussing on local investment could simply lead to a scenario where gains in one locality result in losses in another.[26] Research has also pointed to the difficulty in defining what 'local' really means in the context of investment, suggesting that a narrow focus like this ignores the interconnectedness of local, national, and global economies.[27] Other literature argues that containing investment within regional lines is somewhat arbitrary.[28]

CWB in Scotland

Despite some reservations regarding the practicalities of community wealth building, the literature accepts that it is a system designed to localise wealth and benefit communities.[29] The Scottish Government, as discussed, approach CWB through five pillars similar to, but differing from, those discussed so far. For instance, while both the Cleveland Model and the Scottish model emphasise the use of land and property for community benefit, the Scottish model includes land as one of its five individual

[22] Morag E Redwood et al., "Community Wealth Building or Local Authority Rhetoric?," *Local Economy* 37, no. 7 (November 1, 2022): 602–21, https://doi.org/10.1177/02690942231171657.
[23] Ibid.
[24] Ibid.
[25] Jessica Gordon Nembhard, "Community-Based Asset Building and Community Wealth," *The Review of Black Political Economy* 41, no. 2 (January 2014): 101–17, https://doi.org/10.1007/s12114-014-9184-z.
[26] Hatcher, Richard. "The Limitations and Illusions of Community Wealth Building." *Birmingham Against the Cuts* (2021).
[27] Jamie Dennis and Liam Stanley, "The De-Globalisation of Capital? The Political Economy of Community Wealth Building," *New Political Economy*, January 5, 2023, 1–16, https://doi.org/10.1080/13563467.2022.2159353.
[28] Reynolds, Jonathan. "A new world in the making: community wealth building and the co-operative sector." *Renewal: A Journal of Social Democracy* 28, no. 3 (2020): 88-92.
[29] Jack O'Neill, *The Case for Community Wealth Building*; Dennis and Stanley, "The De-Globalisation of Capital? Morag E Redwood et al., "Community Wealth Building or Local Authority Rhetoric?" *Local Economy* 37, no. 7 (November 1, 2022): 602–21, https://doi.org/10.1177/02690942231171657.

pillars.[30] The view that community wealth building strategies can be leveraged to improve local economies is not an idea exclusively found in academic papers, but rather a model that national governments are adopting. The Scottish Government is one of these examples, having embraced community wealth building as a core economic strategy to combat inequality.[31] Pilot projects have been initiated in areas of Scotland to test and refine new CWB models to suit the intricacies of the Scottish political and economic landscape.[32] Extensive consultations were held with local communities, businesses, and public sector bodies, and the five pillars were then identified and incorporated into the National Strategy for Economic Transformation (NSET).[33] The broad principles of CWB found across the academic literature surrounding the ideas of localised wealth, equal economies and collective ownership are reflected in the Scottish CWB approach. Community Wealth Building was even formally included in the title of ministerial briefs between 2021 and 2024, with Tom Arthur serving first as 'Minister Public Finance, Planning and Community Wealth', and then as 'Minister for Community Wealth and Public Finance'. Referencing the importance CWB in a letter sent to the Local Government, Housing and Planning Committee, Mr Arthur stated that:

> Community Wealth Building is a transformative approach to economic development that ensures the wealth generated in our communities stays in our communities. By focusing on inclusive ownership, fair work, and sustainable use of land and property, we can create a more equitable and resilient economy for all.[34]

Whilst unique adaptations exist within the Scottish strategy, the essence of CWB found in the academic literature is reflected in Scottish approaches.

Scotland's 5 Pillars

Inclusive Ownership

The prioritisation of CWB in Scotland is evidence by a variety of strategies. For instance, the Scottish Government has taken concrete steps to promote worker cooperatives, employee ownership, and social enterprises as part of its Inclusive Ownership pillar.[35]

---

[30] Scottish Government, "Community Wealth Building," accessed February 25, 2025, https://www.gov.scot/policies/cities-regions/community-wealth-building/#:~:text=5%20of%205-,Community%20wealth%20building,the%20wealth%20our%20economy%20generates.
[31] Scottish Government. *Building Community Wealth in Scotland: Consultation Analysis*. Edinburgh: Scottish Government, 2023.
[32] Scottish Government, *Building Community Wealth in Scotland: Consultation* (2023), accessed February 17, 2025, https://www.gov.scot/publications/building-community-wealth-scotland-consultation-paper/pages/5/.
[33] Scottish Government, *National Strategy for Economic Transformation* (2022), accessed February 17, 2025, https://www.gov.scot/publications/national-strategy-for-economic-transformation/.
[34] Tom Arthur, *Letter to Local Government, Housing and Planning Committee* (2024), accessed February 17, 2025, https://www.parliament.scot/-/media/files/committees/local-gov/correspondence/2024/community-wealth-building.pdf.
[35] The Scottish Government, "*Building Community Wealth in Scotland", p 3*.

This pillar aims to support business models that ensure that wealth generated within a community stays within that locality. The Scottish Government have sought to promote this pillar by supporting locally owned businesses and co-operatives.[36] This support also extends to the transitioning of existing companies to employee ownership.[37] Co-operative Development Scotland (CDS) are part of Scottish Enterprise and provide support to groups across Scotland that are interested in adopting inclusive ownership models. They highlight the benefits of employee ownership, such as increased employee engagement, improved business performance, and enhanced job security.[38] The Scottish Government have also underlined the importance of ensuring start-up support for inclusive business models.[39] Support like this has been tested in North Ayrshire, where start-up funding and support has supported co-operatives and employee-owned businesses.[40] Transitions have also been supported by the Glasgow City Council through their business conversion support schemes, funding worker buyouts of private businesses.[41] Similarly, Dundee City Council have demonstrated their support for this pillar by providing advice and resources to help social enterprises start and grow.[42] Both Highlands and Islands Enterprise (HIE) and South of Scotland Enterprise (SOSE) also support the inclusive ownership pillar by promoting social enterprises, co-operatives, and employee ownership models to ensure that wealth generated within communities stays local.[43] Fife Council too has been active in promoting community asset transfers, enabling local communities to take ownership of public assets.[44] These transfers have empowered local communities to manage and develop assets that meet their needs, according to the Government report.[45]

Land and Property

The Land and Property pillar focuses on maximising the use of land and property to support community enterprise. This pillar involves tackling derelict land and ensuring that property is used for the local community's benefit.[46] The Government's strategy also involves reviewing compulsory purchase powers to make it easier for local authorities to acquire land and repurpose the property for community benefit.[47] One

[36] Ibid., p 76.
[37] Ibid., p 76.
[38] Co-operative Development Scotland. "Employee Ownership." CDS Blog. Accessed February 25, 2025. https://cdsblog.co.uk/employee-ownership.
[39] Ibid., p 79.
[40] Ibid., p 76.
[41] Ibid., p 76.
[42] Ibid., p 80.
[43] Highlands and Islands Enterprise. "Supporting businesses & communities." Accessed February 26, 2025. https://www.hie.co.uk/; South of Scotland Enterprise. "South of Scotland Enterprise." Accessed February 26, 2025. https://www.southofscotlandenterprise.com/
[44] Ibid., p 80.
[45] Ibid., p 80.
[46] Scottish Land Commission, *Community Wealth Building and Land Guidance* (2022), 1-2, accessed February 17, 2025, https://www.landcommission.gov.scot/downloads/623c19fcb8c2d_Scottish%20Land%20Commission%20Community%20Wealth%20Building%20and%20Land%20Guidance.pdf.
[47] Scottish Government, *Building Community Wealth in Scotland: Analysis of responses to the consultation exercise* (Edinburgh: Scottish Government, 2023), p 62-64.

example of this pillar in action is the Glasgow Commonwealth Games Village project. The site was transformed to accommodate housing, amenities, and green spaces to benefit the local community.[48] The Scottish Land Commission has also been established to advise the Scottish Government on how best to pursue land reform. It plays a crucial role in the wider policy approach to community wealth building by providing leadership and guidance on changes to law, policy, and practice related to land ownership and use.[49] Other case studies that demonstrate the benefits of this specific pillar are the New Cumnock Development Trust Re-Use Hub and the Canal and North Gateway projects; both promoted the repurposing of unused property for community benefit, whilst the latter contributed towards achieving sustainability targets.[50] Some research has also investigated church closures in Scotland, and underlined how buyouts of property like Clachan Lochbroom Heritage Trust and Bellfield in Portobello have been leveraged to benefit the community.[51]

Workforce

The Workforce pillar within the Scottish CWB strategy closely mirrors the Preston Model by focusing on driving Fair Work practices and creating meaningful labour market opportunities in local communities.[52] One element of this strategy pushes local authorities to increase the number of living wage accredited suppliers they use, and to encourage more ethical supply chains. North Ayrshire Council, for example, have successfully increased the number of living wage accredited suppliers they use.[53] Similarly, Clackmannanshire Council has collaborated with local anchor institutions to promote Fair Work practices and support skills development.[54] Though the Scottish Government's Consultation Paper displayed support for Fair Work Practices, the response to the consultation exercise did note that it may be difficult for some small businesses that could struggle to meet the requirements of Fair Work practices without additional support.[55]

Finance

The Finance pillar of the Scottish Government's CWB strategy supports the use of progressive forms of finance, such as credit unions and Community Development

---

[48] Scottish Land Commission, *Community Wealth Building and Land Guidance* (2022), 3-4, accessed February 17, 2025, https://www.landcommission.gov.scot/downloads/623c19fcb8c2d_Scottish%20Land%20Commission%20Community%20Wealth%20Building%20and%20Land%20Guidance.pdf.
[49] Scottish Land Commission. "About Us." Accessed February 25, 2025. https://www.landcommission.gov.scot/about-us.
[50] Ibid.
[51] Molly Miller, "From Closure to Commons: Exploring the Development of Community Resilience Through Collective Buyouts of Former Churches in Scotland," *Scottish Affairs*, 34, no. 1 (2025): 104-126.
[52] Scottish Government, *Building Community Wealth in Scotland: Analysis of responses to the consultation exercise* (Edinburgh: Scottish Government, 2023), 51-55.
[53] Ibid.
[54] Ibid.
[55] Ibid.

Finance Institutions.[56] The Scottish Government view this as a way to increase access to capital for local businesses and community initiatives, fostering local economic growth and resilience.[57] This pillar within the Government's strategy also places emphasis on providing financial support for small and medium-sized enterprises (SMEs) and micro-businesses to help them expand their operations and contribute to job creation and local wealth generation.[58] One application of this pillar has taken place in Fife, where the council have encouraged investment funds, including pension funds, to be directed towards building local wealth.[59]

Spending

The Spending pillar largely centres around the role of procurement. It involves reviewing existing procurement frameworks to ensure they are accessible to supported businesses and SMEs.[60] Moreover, this part of the CWB strategy encourages joint procurement between multiple anchor institutions to combine their purchasing power to create more attractive contracts for local businesses.[61] The Government also acknowledge how procurement can enhance community benefit through the procurement process by incorporating clauses that require contractors to deliver additional benefits through their services.[62] Some of these clauses can include target training requirements which require contractors to provide employment and training opportunities specifically for local residents.[63] A clause might also incentivise contractors to use sustainable materials to aid in the pursuit of wider governmental environmental targets.[64] Some literature has questioned the practicality of this process, referencing the difficulty in measuring and evaluating the actual impact of these clauses because of a lack of standardised metrics to assess social value.[65]

Heritage and CWB

The historic environment can contribute to the wealth building of communities. Historic sites and heritage buildings have an evidenced ability to contribute to local wealth generation through attracting visitors.[66] Visitors seeking an authentic experience are thus more likely to spend on local goods which generates revenue for local

[56] Ibid., 87-92.
[57] Ibid.
[58] Scottish Government, *Building Community Wealth in Scotland: Analysis of responses to the consultation exercise* (Edinburgh: Scottish Government, 2023), 90.
[59] Ibid., 90.
[60] Ibid., 42-45.
[61] Ibid., 46-47.
[62] Ibid., 47-48.
[63] Ibid., 18.
[64] Ibid., 21.
[65] Silvia Sacchetti, Colin Campbell, and Richard Simmons, "Community Benefit Clauses in Public Procurement: Considerations on the Role of Partnerships in Scotland," January 1, 2012.
[66] Elena Dowin Kennedy, "Creating Community: The Process of Entrepreneurial Community Building for Civic Wealth Creation," *Entrepreneurship & Regional Development* An International Journal (August 17, 2021): 1–21, https://doi.org/10.1080/08985626.2021.1964612.

businesses.[67] Some literature also points out that heritage restoration projects can generate local jobs and contribute to increasing property values in the area.[68] Other research has highlighted how heritage can be leveraged to promote sustainable development through the integration of sustainable preservation methods that minimise waste.[69] The historic environment certainly has a demonstrated ability to drive community engagement.[70] Some authors do point out, however, that there are potential ethical concerns surrounding the commercialisation of heritage sites.[71] Heritage sites and the historic environment can play an influential role in creating a local sense of identity and pride. The celebration of local history can foster a sense of belonging and pride, whilst conservation work can lead to increased community engagement and further reinforce this sense of community belonging.[72]

The alignment between CWB and heritage has been seen in Scotland. Historic Environment Scotland's Heritage & Place Programme (H&PP) supports community-led development by funding conservation-based projects that enhance local assets, foster traditional skills training, and contribute to economic sustainability.[73] Research on creative placemaking similarly highlights how cultural initiatives, such as those led by The Stove Network, utilise arts and heritage to empower communities and support local economic development.[74] Both the Ridge and GalGael also encourage community empowerment through heritage by fostering local skills, preserving cultural traditions, and creating inclusive spaces for community engagement and development.[75] HES actively embeds CWB principles by focusing on heritage-led regeneration projects. The national strategy for Scotland's historic environment, *Our Past, Our Future* (*OPOF*), also outlines outcomes that align heritage conservation with community wealth objectives.[76] Statistics highlighted in the strategy show that heritage plays a role in building a

---

[67] Fabbricatti, K., Boissenin, L. & Citoni, M. Heritage Community Resilience: towards new approaches for urban resilience and sustainability. *City Territ Archit* **7**, 17 (2020). https://doi.org/10.1186/s40410-020-00126-7

[68] Veysel Apaydin, "Critical Community Engagement in Heritage Studies," *Encyclopedia of Global Archaeology*, 2018, 1–7, https://doi.org/10.1007/978-3-319-51726-1_3348-1.

[69] George Alexandrakis, Constantine Manasakis, and Nikolaos A. Kampanis, "Economic and Societal Impacts on Cultural Heritage Sites, Resulting from Natural Effects and Climate Change," *Heritage* 2, no. 1 (January 23, 2019): 279–305, https://doi.org/10.3390/heritage2010019.

[70] Peter G. Gould and Paul Burtenshaw, "Heritage Sites: Economic Incentives, Impacts, and Commercialization," *Encyclopedia of Global Archaeology*, 2019, 1–7, https://doi.org/10.1007/978-3-319-51726-1_508-2.

[71] Ibid.

[72] UNESCO, *The Social Benefits of Heritage Conservation* (Paris: UNESCO, 2010), accessed February 18, 2025, https://unesdoc.unesco.org/ark:/48223/pf0000216604; George Alexandrakis, Constantine Manasakis, and Nikolaos A. Kampanis, "Economic and Societal Impacts on Cultural Heritage Sites, Resulting from Natural Effects and Climate Change," PLOS ONE 14, no. 3 (2019): e0212319, accessed February 18, 2025, https://doi.org/10.1371/journal.pone.0212319.

[73] Historic Environment Scotland, Heritage & Place Programme Guidance (Edinburgh: Historic Environment Scotland, 2022), 5–6, 10–12.

[74] The Stove Network, A Creative Placemaking Approach: Culture and Creativity as a Tool in Community Wealth Building and Community-Led Place Development (Dumfries: The Stove Network, 2024), 5–7, 14–16.

[75] The Ridge. "The Ridge." Accessed February 26, 2025. https://www.the-ridge.org.uk/ ; GalGael. "GalGael." Accessed February 26, 2025. https://www.galgael.org/

[76] Historic Environment Scotland, *Our Past, Our Future: The Strategy for Scotland's Historic Environment* (Edinburgh: Historic Environment Scotland, 2023)

wellbeing economy. Around one third of community asset transfers since 2015, for instance, have involved heritage assets.[77] This suggests that heritage plays a significant role in the inclusive ownership pillar outlined within the Scottish Government's CWB strategy. The Conservation Area Regeneration Scheme is also cited within *OPOF*, highlighting how heritage-based procurement can generate wealth within communities.[78]

Section 3: Procurement in Scotland

Public procurement refers to the process by which government bodies, local authorities, and publicly funded institutions acquire goods, services, and works from external suppliers.[79] Public procurement plays a significant role in the Scottish economy. The most recent comprehensive data on public procurement spend in Scotland is from the fiscal year 2022-23. During this period, public sector procurement in Scotland amounted to £16.6 billion.[80] This expenditure supported approximately £13.7 billion in economic activity, contributed around £7.5 billion to Scotland's GDP, and sustained an estimated 120,000 full-time equivalent jobs, representing approximately 4.4% of the Scottish economy. These figures are derived from the Scottish Government Input-Output modelling, which includes direct, indirect, and induced economic effects of public procurement spending. Across Scotland, procurement is delivered by over 130 public bodies, with local authorities accounting for approximately 40% of the total spend. HES is one actor within this landscape. [81]

Procurement is used to purchase goods. However, the academic literature also views procurement as a powerful tool by which to pursue social, environmental, and economic objectives.[82] Whilst procurement is a key component of the Scottish economy, the Scottish Government and public bodies also aim to consider value beyond financial efficiency when procuring goods and services. The Procurement Reform (Scotland) Act 2014 established a legislative framework aimed at improving transparency and ensuring procurement contributes to broader policy objectives, such as fair work practices and environmental sustainability.[83] But in 2024, Claire Baker MSP, the Convener of the Economy and Fair Work Committee, said of the Procurement Reform Act:

---

[77] Ibid., p 22.
[78] Ibid., p 22.
[79] Scottish Government, "Public Sector Procurement," *gov.scot*, https://www.gov.scot/policies/public-sector-procurement/.
[80] Scottish Government, *Annual Report on Procurement Activity in Scotland 2021-2022*. https://www.gov.scot/publications/annual-report-procurement-activity-scotland-2021-2022/pages/4/; Scottish Government, *Annual Report on Procurement Activity in Scotland 2022–2023* (Edinburgh: Scottish Government, 2025), https://www.gov.scot/publications/annual-report-procurement-activity-scotland-overview-procurement-activity-2022-2023/.
[81] Ibid.
[82] Thai, Khi V. "Public procurement re-examined." *Journal of Public Procurement* 1, no. 1 (2001): 9-50.
[83] Scottish Government, *Scottish Procurement Policy Handbook*, https://www.gov.scot/publications/scottish-procurement-policy-handbook/.

> There is no doubt that the Act has had a positive impact on increasing transparency of procurement processes which of course is to be welcomed. But for too many businesses, especially new or small businesses, there is still confusion and inconsistency. All of which is causing a barrier to those who may want to engage.[84]

Whilst Claire Baker acknowledged that the Act has increased transparency, she also pointed out that businesses still faced confusion and inconsistency in accessing procurement opportunities.[85] This critique and the committee's report highlighted ongoing challenges such as inconsistency, bureaucracy, and inflexibility that hinder small businesses and third-sector organisations from participating effectively in public procurement.[86] In response, the Scottish Government has been considering these findings to inform potential legislative updates and improve procurement practices.[87] Within this evolving framework, the National Procurement Strategy plays a pivotal role by setting strategic priorities to guide procurement activities across the public sector.

Strategy/Policy Objectives

Scotland's procurement strategy is designed to align public sector spending with national policy goals.[88] The *Public Procurement Strategy for Scotland* (2023–2028) outlines four strategic objectives:

- **Good for Businesses and Employees:** This refers to supporting SMEs and third sector organisations, encouraging fair work policies, and promoting inclusive economic growth.[89]

[84] "More progress is needed a decade on from procurement reform," Scottish Parliament, June 21, 2024, https://www.parliament.scot/about/news/news-listing/more-progress-is-needed-a-decade-on-from-procurement-reform.
[85] Scottish Parliament Economy and Fair Work Committee, *Official Report*, 12 June 2024.
[86] Scottish Parliament. "More Progress Is Needed a Decade on from Procurement Reform." News release, June 21, 2024. https://www.parliament.scot/about/news/news-listing/more-progress-is-needed-a-decade-on-from-procurement-reform.
[87] Scottish Government. *Response to the Economy and Fair Work Committee Report on Post-Legislative Scrutiny of the Procurement Reform (Scotland) Act 2014.* Letter from the Minister for Public Finance, 21 November 2024, https://www.parliament.scot/chamber-and-committees/committees/current-and-previous-committees/session-6-economy-and-fair-work-committee/correspondence/2024/post-legislative-scrutiny-of-the-procurement-reform-act-2014-response-from-the-scottish-government.
[88] Scottish Government, *Public Procurement Strategy for Scotland (2023–2028),* https://www.gov.scot/publications/public-procurement-strategy-scotland-2023-2028/.
[89] Scottish Government, *Public Procurement: Governance*, https://www.gov.scot/publications/public-procurement-governance/.

- **Good for Places and Communities:** This looks to ensure that public procurement benefits local economies and aligns with regional development priorities.[90]
- **Good for Society:** This is about strengthening social value, tackling inequality, and ensuring ethical supply chain practices.[91]
- **Open and Connected:** Focuses on enhancing procurement transparency, digitalisation, and collaboration across sectors.[92]

Together, these strategic objectives ensure that public procurement in Scotland not only drives economic growth but also fosters social equity, community development, and ethical practices, creating an integrated approach to public spending.[93] These priorities also align with broader policy objectives, including fair work practices, environmental sustainability, community wealth building, and regional economic development.[94]

Implementation

Good for Businesses and Employees

Scotland's procurement strategy aims to create economic opportunities for businesses, placing a special emphasis on SMEs. The Supplier Development Programme provides SMEs with training and support to compete for public contracts, helping to address barriers such as complex tendering requirements and resource constraints.[95] In 2021-2022, SMEs received 55% of total public procurement spend on Scottish suppliers, reflecting efforts to ensure a fair distribution of public contracts.[96] According to the Scottish Government's *Businesses in Scotland Report* in 2024, however, SMEs account for approximately 99.3% of all private sector businesses in Scotland.[97] It is, therefore, unsurprising that SMEs receive such a significant percentage of the procurement spend. The Scottish Government also encourage early engagement with suppliers to

---

[90] Scottish Parliament Information Centre (SPICe), *Public Procurement in Scotland: Impact and Opportunities*, https://spice-spotlight.scot/public-procurement-impact/.
[91] Scottish Government, *Scottish Procurement Policy Handbook*, https://www.gov.scot/publications/scottish-procurement-policy-handbook/.
[92] Scottish Government, *Public Procurement: Governance*, https://www.gov.scot/publications/public-procurement-governance/.
[93] Scottish Government, *Public* Procurement Strategy: 2023 to 2028, April 27, 2023, https://www.gov.scot/publications/public-procurement-strategy-scotland-2023-2028/.
[94] Scottish Government, "The Scottish Government Procurement Strategy April 2024 – March 2028," gov.scot, March 28, 2024, https://www.gov.scot/publications/scottish-government-procurement-strategy-april-2024-march-2028/pages/10/.
[95] Supplier Development Programme, "Supplier Development Programme | Helping You Bid Better," https://www.sdpscotland.co.uk/.
[96] Scottish Government, "Scottish Government Procurement: Annual Report 2021 to 2022," https://www.gov.scot/publications/scottish-government-annual-procurement-report-2021-2022/pages/4/.
[97] Scottish Government. *Businesses in Scotland 2024*. Edinburgh: Scottish Government, 2024. https://www.gov.scot/publications/businesses-in-scotland-2024/pages/business-size/.

foster innovative and entrepreneurial responses to public sector needs.[98] The Procurement Strategy underlines collaboration between organisations and government to deliver positive, green, and inclusive social impacts within public contracts.[99]

Scottish Government's Fair Work First policy also mandates that suppliers commit to fair wages, trade union recognition, and secure employment terms.[100] The Real Living Wage requirement has been a critical aspect of procurement contracts, influencing labour market conditions across various sectors.[101] This requirement aims to maximise the sustainability of supply chains that support the public sector's work and improve security of supply.[102] Compliance monitoring, however, can be challenging. The Fair Work First guidance document from March 2023 notes that some subcontractors and supply chain partners do not always adhere to fair work principles.[103] Evidence suggests that while the policy has improved labour conditions in public sector contracts, enforcement mechanisms require strengthening.[104] The Fraser of Allander Institute, based at the University of Strathclyde in Glasgow, have also referenced the potential of procurement in encouraging fair work practices whilst pointing to the inconsistent enforcement across Scotland.[105] The Fair Work First guidance published by the Scottish Government mentions this issue, suggesting that 'strengthening enforcement mechanisms' could aid in tackling the issue of compliance and increase the benefit for employees.[106]

Good for Places and Communities

The 'Good for Places and Communities' aspect of the Scottish Government's Procurement Strategy focuses on maximising the impact of procurement to deliver social and economic outcomes that benefit local communities. This section of the strategy emphasises the importance of CWB by ensuring that public procurement

---

[98] Scottish Government, "The Scottish Government Procurement Strategy April 2024 – March 2028," p 25, https://www.gov.scot/publications/scottish-government-procurement-strategy-april-2024-march-2028/
[99] Ibid.
[100] Scottish Government, "Fair Work First: Guidance - March 2023," gov.scot, March 24, 2023, https://www.gov.scot/publications/fair-work-first-guidance-2/.
[101] Living Wage Scotland, "Workers Set for Pay Boost as Real Living Wage Increases to £12.60," October 23, 2024, https://scottishlivingwage.org/workers-set-for-pay-boost-as-real-living-wage-increases-to-12-60/.
[102] Scottish Government, "Public Procurement Strategy for Scotland 2023-2028," last modified 2023, https://www.gov.scot/publications/public-procurement-strategy-scotland-2023-2028/pages/6/.
[103] Scottish Government, "Fair Work First: Guidance - March 2023," https://www.gov.scot/publications/fair-work-first-guidance-2/.
[104] Scottish Government, "Fair Work Action Plan: Evidence Plan," gov.scot, January 11, 2024, https://www.gov.scot/publications/fair-work-action-plan-scottish-governments-evidence-plan-fair-work/pages/2/.
[105] Patricia Findlay, "Calm Seas or Choppy Waters? The Role of Procurement in Supporting Fair Work," *Fraser of Allander Institute Economic Commentary*, March 2017, 42, https://www.strath.ac.uk/business/economics/fraserofallanderinstitute/publications:contentReference[oaicite:0]{index=0}.
[106] Scottish Government, "Fair Work First: Guidance - March 2023," gov.scot, March 24, 2023, p 15 https://www.gov.scot/publications/fair-work-first-guidance-2/.

supports local businesses and creates opportunities for local employment.[107] According to the strategy, procurement activities are designed to develop, enhance, and maintain a sustainable built environment.[108] This involves creating a portfolio of frameworks that deliver a range of construction activities across the public sector, considering the economic impact and sustainability of the construction industry.[109] CWB targets are embedded within this part of the strategy. The Scottish Government's updated 2024-2028 strategy underlines using procurement to maximise economic and social benefits within local communities.[110] The 2024–2028 strategy explicitly incorporates CWB principles, focusing on retaining wealth within local economies by supporting local enterprises, cooperatives, and social enterprises. This targeted emphasis on CWB was less pronounced in the 2020-2024 strategy.[111] One example of this strategy goal in action is the construction of the Dumfries and Galloway Royal Infirmary where employment opportunities, apprenticeships, and support for local businesses were mandated during the procurement process.[112] This project not only provided a state-of-the-art healthcare facility but also significantly contributed to the local community's economic and social wellbeing.[113]

The Good for Places and Communities focus also promotes sustainable procurement through the routine consideration of whole life costing.[114] This involves accounting for a project's environmental and social costs across its lifespan rather than simply the initial costs within procurement decisions.[115] In doing so, the strategy aims to minimise negative environmental impact through procurement, and to deliver long-term value for communities.[116] There is also an emphasis on collaborating and engaging with communities within this area of the strategy, ensuring that contracts generate direct benefits for the areas they serve.[117]

Good for Society

Public procurement is also positioned as a tool for driving social progress, improving public services, and tackling inequalities. A major theme under this outcome is

---

[107] Scottish Government, "The Scottish Government Procurement Strategy April 2024 – March 2028," https://www.gov.scot/publications/scottish-government-procurement-strategy-april-2024-march-2028/.
[108] Ibid.
[109] Ibid.
[110] Scottish Government, "The Scottish Government Procurement Strategy April 2024 – March 2028," https://www.gov.scot/publications/scottish-government-procurement-strategy-april-2024-march-2028/.
[111] Scottish Parliamentary Corporate Body, *Corporate Procurement Strategy (1st April 2020 – 31 March 2024)* (Edinburgh: Scottish Parliament, 2020), https://www.parliament.scot/abouttheparliament/65713.aspx:contentReference[oaicite:0]{index=0}.
[112]"New Dumfries and Galloway Hospital Build Delivering on Local Jobs Promise," *Dumfries and Galloway What's Going On?*, October 31, 2016, https://www.dgwgo.com/dumfries-galloway-news/new-dumfries-and-galloway-hospital-builddelivering-on-local-jobs-promise/.
[113] Ibid.
[114] Scottish Government, "The Scottish Government Procurement Strategy April 2024 – March 2028," p 29 https://www.gov.scot/publications/scottish-government-procurement-strategy-april-2024-march-2028/.
[115] Ibid., p 32.
[116] Ibid., p 32.
[117] Ibid., p 33.

ensuring that procurement supports Scotland's economic resilience.[118] The national Procurement Strategy commits to doing this by enabling innovation and enhancing value-for-money in public contracts.[119] The CivTech Programme, for example, uses a challenge-based approach to procurement, where public sector organisations identify specific challenges they face and invite innovative businesses to propose solutions.[120] Procurement is identified as a critical function in responding to emergencies, including pandemics, conflicts, and supply chain disruptions. To ensure Scotland is prepared for future crises, the strategy outlines several commitments that position procurement as a key tool for national resilience and crisis management.[121] A tangible example of this outcome in action is Scottish Water's £9 billion procurement programme.[122] The project involves long-term investments in water infrastructure, ensuring Scotland's utilities remain climate-resilient and sustainable.[123] This connects to procurement's role in emergency preparedness, particularly in mitigating risks related to climate change and resource scarcity.[124] The Good for Society element of the strategy also recognises the ability to use procurement to enhance Scotland's food security and promote sustainability.[125]

Open and Connected

The 'Open and Connected' outcome in the Strategy focuses on ensuring that procurement in Scotland is transparent, internationally aligned, and accessible for businesses and public sector partners. This includes ensuring that Scotland's procurement policy aligns with international best practice by fostering global and cross-government collaboration.[126] A central part of the Open and Connected outcome is to maximise transparency by publishing procurement spend, enhancing supplier engagement, advancing tools for monitoring, and reporting the impact of procurement.[127] This emphasis on procurement being open and connected has influenced the strategies of other organisations; Highlands and Islands Enterprise (HIE) and Scottish Enterprise, for instance, both have procurement strategies that align with the that of the Scottish Government.[128] HIE explicitly reference transparency within their strategy and pledge to use the national procurement portals to make procurement opportunities visible to potential suppliers.[129]

---

[118] Ibid., p 34.
[119] Ibid., p 34.
[120] Ibid., p 35.
[121] Ibid., p 34.
[122] Scottish Water, *Procurement Strategy FY22/23* (Dunfermline: Scottish Water, 2022), https://www.scottishwater.co.uk/-/media/ScottishWater/Document-Hub/Key-Publications/Procurement-and-Supply/060722SWProcurementStrategyFY22-23FINAL.pdf.
[123] Ibid.
[124] Ibid., p 7.
[125] Scottish Government Procurement Strategy 2024-28, p 35.
[126] Ibid., p 36.
[127] Ibid., p 37.
[128] Highlands and Islands Enterprise, *Procurement Strategy 2024-2028* (Inverness: Highlands and Islands Enterprise, 2024), https://www.hie.co.uk/media/qrynmu5a/hie-procurement-strategy-2024-2028.pdf.
[129] Ibid., p 10.

CWB and Procurement Strategy

Procurement serves as a key mechanism for embedding CWB principles into economic development. Though community wealth building is only specifically mentioned under the Good for Places and Communities section of Scotland's Procurement Strategy, the principles of CWB are evident throughout the document.[130] The procurement strategy promotes the use of public spending to support local businesses and create jobs.[131] This aligns with CWB by ensuring that economic benefits are retained within local communities. For instance, Renfrewshire Council includes community benefit clauses in its procurement contracts to maximise social value. The Council's Community Benefits Strategy outlines specific clauses and targets to ensure local employment and training opportunities.[132] Initiatives like Scotland Excel's Framework also ensure that SMEs and local businesses can compete for public contracts.[133]

The Scottish Government's procurement strategy promotes fair work practices through initiatives like Fair Work First. This ensures that suppliers adhere to fair work principles, benefiting local workers and supporting the development of local labour markets.[134] Scottish Water's DV4 procurement, valued at £9 billion, is a significant initiative aimed at transforming Scotland's water and wastewater infrastructure that highlights Fair Work First in action. The DV4 procurement mandates that contractors pay fair wages and create job opportunities.[135] This includes supporting around 4,000 jobs and creating opportunities for 1,500 young people.[136]

Procurement is also used to encourage cooperative and employee-owned enterprises to bid for government contracts. As part of the Glasgow City Region's wider economic strategy, including but not limited to the City Region Deal, its Sustainable Procurement Strategy (2021) integrates CWB principles.[137] This includes creating opportunities for local employment, supporting fair work practices, and promoting sustainable business models.[138] This approach ensures that procurement prioritises businesses that deliver social value, create local employment opportunities, uphold fair work practices, and promote sustainable business models. Redirecting public spending towards local banks, credit unions, and community-owned institutions is another key strategic element. For example, Argyll and Bute's CWB initiative proposes establishing a

---

[130] The Scottish Government Procurement Strategy April 2024 – March 2028," p 32.
[131] Scottish Government, *Procurement Strategy April 2024 – March 2028* (Edinburgh: Scottish Government, 2024).
[132] Renfrewshire Council, *Community Benefits Strategy* (Renfrewshire: Renfrewshire Council, 2014), https://www.renfrewshire.hscp.scot/media/5481/Community-Benefits-Strategy/pdf/fcs-Community_Benefits_Strategy.pdf?m=1513004482830.
[133] "Collaborative Contracts - Scotland Excel," https://home.scotland-excel.org.uk/our-services/procurement-services/collaborative-contracts/.
[134] Scottish Government, *Procurement Strategy April 2024 – March 2028* (Edinburgh: Scottish Government, 2024), p 29.
[135] "New Enterprise Model Transformation - Scottish Water," https://www.scottishwater.co.uk/About-Us/News-and-Views/2024/11/251124-DV4-Launch.
[136] Ibid.
[137] "Glasgow City Region Sustainable Procurement Strategy," https://glasgowcityregion.co.uk/wp-content/uploads/2021/05/GCR-SustainableProcurementStrategy-May21.pdf.
[138] Ibid.

community-owned finance institution to support local businesses and social enterprises.[139] This independent CWB strategy aims to create local employment opportunities, uphold fair work practices, and promote sustainable business models by ensuring that financial resources remain within the community.[140] By prioritising engagement with local financial institutions and prompt supplier payments, HIE also aims to build a more resilient local economy.[141] HIE have used procurement to support social and community-led finance initiatives such as the XpoNorth Digital Programme, a creative industries support scheme procured through local expertise and institutions, helping businesses access financial support and business growth advice.[142] HIE also engage with local suppliers ensuring their participation in the procurement process.[143]

Using publicly owned assets to benefit local communities instead of private developers is another key element of procurement strategy. Bonnymuir Green Trust is an example of this strategy in action: the Trust repurposed a derelict public space, originally a bowling green, and turned it into a thriving community-owned site in Aberdeen.[144] This transformation was made possible through community asset transfer, community engagement and financial procurement support.[145] The site now includes a community garden, cafe, and various social and educational activities, all managed by local volunteers.[146] Similar processes have been seen across Scotland; at Bridgend Farmhouse, for instance, where a derelict farmhouse was transformed into a community hub through one of Scotland's first urban community asset transfers.[147] These examples demonstrate a broader movement in Scotland towards community empowerment, facilitated by supportive legislation and funding mechanisms.

---

[139] Argyll and Bute Council, *Community Wealth Building in Argyll and Bute Report*, (Argyll and Bute Council, 2023), 20, https://www.argyll-bute.gov.uk/moderngov/documents/s206441/Appendix%201%20Argyll%20and%20Bute%20Report%20Final.pdf.

[140] Ibid.

[141] "Strategy and operating plan | Highlands and Islands Enterprise | HIE," https://www.hie.co.uk/about-us/policies-and-publications/strategy-and-operating-plan/.

[142] XpoNorth Digital Programme: Highlands and Islands Enterprise. "Creative Sector Gears Up for XpoNorth." News release, May 21, 2021. https://www.hie.co.uk/latest-news/2021/may/21/creative-sector-gears-up-for-xponorth/.

[143] Supplier Development Programme Scotland, *Do You Want to Do Business with Highlands and Islands Enterprise?*, accessed March 2025, https://www.sdpscotland.co.uk/news/news/do-you-want-to-do-business-with-highlands-and-islands-enterprise-/.

[144] "BONNYMUIR GREEN COMMUNITY TRUST - Community Land Scotland," https://www.communitylandscotland.org.uk/wp-content/uploads/2022/08/Case-Study-2019-Bonnymuir-Green-Community-Trust.pdf.

[145] Community Land Scotland, *From Barmulloch to Bonnymuir Green: Community Land Ownership in Action*, August 2022, https://www.communitylandscotland.org.uk/wp-content/uploads/2022/08/From-Barmulloch-to-Bonnymuir-Green-.pdf.

[146] "BONNYMUIR GREEN COMMUNITY TRUST - Community Land Scotland".

[147] Community Shares Scotland, *Bridgend Farmhouse*, https://communitysharesscotland.org.uk/bridgend-farmhouse/#:~:text=This%20eighteenth%20century%20farmhouse%20was,deal%20in%20an%20urban%20setting.

Heritage and Procurement

Procurement is a major contributor to the heritage sector's economic output, influencing job creation, local business growth, and tourism revenue. For instance, HES reported a procurement spend of £12.48 million in 2022-23, covering construction, conservation, IT solutions, and visitor services.[148] Additionally, heritage tourism generated £117 million for the Scottish economy in 2021-22, demonstrating the financial importance of maintaining and promoting historic sites.[149] As is the case with Scottish procurement more generally, procurement within the heritage sector can also be used to pursue targets that extend beyond the economic realm.

Good for businesses and employees

Procurement within the heritage sector typically supports SMEs, third-sector organisations, and specialist skilled trades rather than large multinational firms. Many conservation projects rely on small, specialist businesses that provide expertise in areas such as stonemasonry, timber restoration, archaeology, and metalwork.[150] Scotland's historic environment needs these skills, which can often by highly local in character. HES's Procurement Strategy acknowledges the importance of such contractors and emphasises the need to reduce barriers so that micro, small and medium sized businesses can consistently compete for contracts.[151]

The National Trust for Scotland's (NTS) restoration project of Culzean Castle provides a prime example of how the heritage sector can deliver against the 'good for businesses and employees' element of the Scottish Procurement Strategy by supporting local employment and skill development. The project conserved historically significant garden structures whilst also creating important opportunities for employment: according to the NTS, the project 'creates important opportunities for people to maintain these specialist skills as well as train a new generation of experts, who will be able to care for the glasshouses in the future'.[152] The procurement contract was advertised publicly via an open procurement process, reducing the barriers for smaller organisations to bid for the work.[153] In addition, the NTS has demonstrated a longstanding commitment to preserving traditional skills through its stonemasonry apprenticeship programme at Culzean Castle.[154] For nearly 30 years, this initiative has offered apprenticeships distinct from mainstream college courses, equipping participants with the expertise to address masonry defects in traditionally built

---

[148] Historic Environment Scotland, *Annual Procurement Report 2022-23*, p 4. https://www.historicenvironment.scot/archives-and-research/publications/
[149] Historic Environment Scotland, *Annual Report and Financial Statements 2021-22*, p 7, https://www.historicenvironment.scot/archives-and-research/publications/.
[150] Historic Environment Scotland, *Procurement Strategy 2022–2026*, p 3, 21.
[151] Ibid., 17.
[152] National Trust for Scotland, 'Restoring Culzean's Glasshouses', https://www.nts.org.uk/stories/restoring-culzeans-glasshouses.
[153] Walled Garden Toilet Works, Culzean Castle." *D3 Tenders*. Published January 7, 2025. https://d3tenders.com/contract/?ocid=ocds-r6ebe6-0000786956.
[154] National Trust for Scotland, 'Honing Skills for the Future', May 15, 2019. https://www.nts.org.uk/stories/honing-skills-for-the-future.

structures.[155] NTS also note that many of these apprentices go on to found businesses of their own.[156] By then employing these businesses through later procurement, NTS ensure that SMEs and local businesses benefit from public and third-sector spending. Though encouraging traditional skill development, like at Culzean Castle, is not directly connected to the procurement process, maintaining these kinds of skills ensures that future heritage projects will have access to a well-trained workforce, reducing reliance on outsourced or non-specialist labour. Having access to a well-trained local workforce means that future procurement decisions can award contracts to local businesses and benefit local employees. This aligns with the Scottish Procurement Strategy from a long-term perspective.

As a charity, NTS is not legally obligated to follow the national procurement strategy mandated for public bodies like HES. NTS, however, manages its procurement processes in line with regulatory best practices, including the Procurement (Scotland) Regulations 2016, to safeguard charitable assets and ensure ethical practices.[157] While not legally mandated to adhere to the national procurement strategy, NTS's alignment with best practices indicates a commitment to ethical and effective procurement.

Good for communities and places

HES explicitly aligns heritage conservation with community-focused procurement. For example, the Holyrood Park Grounds Maintenance Contract (2022–23) required successful bidders to invest in apprenticeship recruitment, directly supporting local skills development.[158] The contract also required that all spending remain within a 15-mile radius of the site, maximising economic benefits and supporting community wealth building.[159] This aligns with one of the core principles of Scotland's procurement strategy. Similarly, HES's Labouring Services Contract involved the creation of wildflower meadows and local beehive projects, explicitly using procurement to achieve sustainable community outcomes.[160] This links to the emphasis on suitability present in the wider procurement strategy. It is worth noting, however, that these procurement initiatives are examples of HES fulfilling its legal obligations as a Non-Departmental Public Body (NDPB). These practices demonstrate how public bodies can leverage procurement to drive local and societal benefits, in line with national policies, but do not always apply beyond that class of organisation.[161]

---

[155] Ibid.
[156] Ibid.
[157] National Trust for Scotland, *Privacy Policy for Suppliers*, accessed March 14, 2025, https://www.nts.org.uk/privacy-data-protection/privacy-policy-for-suppliers.
[158] Historic Environment Scotland, *Annual Procurement Report 2022–2023* (Edinburgh: Historic Environment Scotland, 2023), 9.
[159] Ibid., p 9.
[160] Ibid., p 9.
[161] Historic Environment Scotland, *Procurement Strategy 2022–26*, https://www.historicenvironment.scot/media/8292/procurement-strategy-2022-26.pdf.

Good for Society

HES's Provision of Painting Services Contract (2022–2023) explicitly aligns procurement with the Scottish Government's 'Good for Society' strategy by requiring contractors to commit to supporting local foodbanks, thus directly contributing to social wellbeing and community cohesion.[162] In addition, HES's procurement approach prioritises prompt payment to suppliers, with 90% of invoices settled within 10 working days, thus supporting financial stability among small and medium-sized enterprises (SMEs) involved in heritage projects.[163] This aligns with the broader Scottish Procurement strategy by reinforcing the resilience of supply chains through prompt payments.

Open and Connected

HES's procurement practices explicitly reflect the 'Open and Connected' principle of the Scottish Procurement Strategy. Transparency and inclusivity are achieved by publishing procurement activities openly via Public Contracts Scotland and maintaining an accessible Contracts Register.[164] One such contract that was advertised on this service was its Scaffolding Services Contract (2022–2027).[165]

[162] Historic Environment Scotland, *Annual Procurement Report 2022–2023* (Edinburgh: Historic Environment Scotland, 2023), 9.
[163] Scottish Government, *Public Procurement Strategy for Scotland 2023 to 2028* (Edinburgh: Scottish Government, 2023), 8.
[164] Historic Environment Scotland, *Annual Procurement Report 2022–2023*, 6.
[165] Ibid., 15.

Section 4: Luing Slate Quarry (Case Study 1)

The following sections explore two case studies that serve to demonstrate further the links between heritage and community wealth building. In both cases, the work showcased has been led by independent charitable trusts, with support from HES either through grant funding or formal partnership.

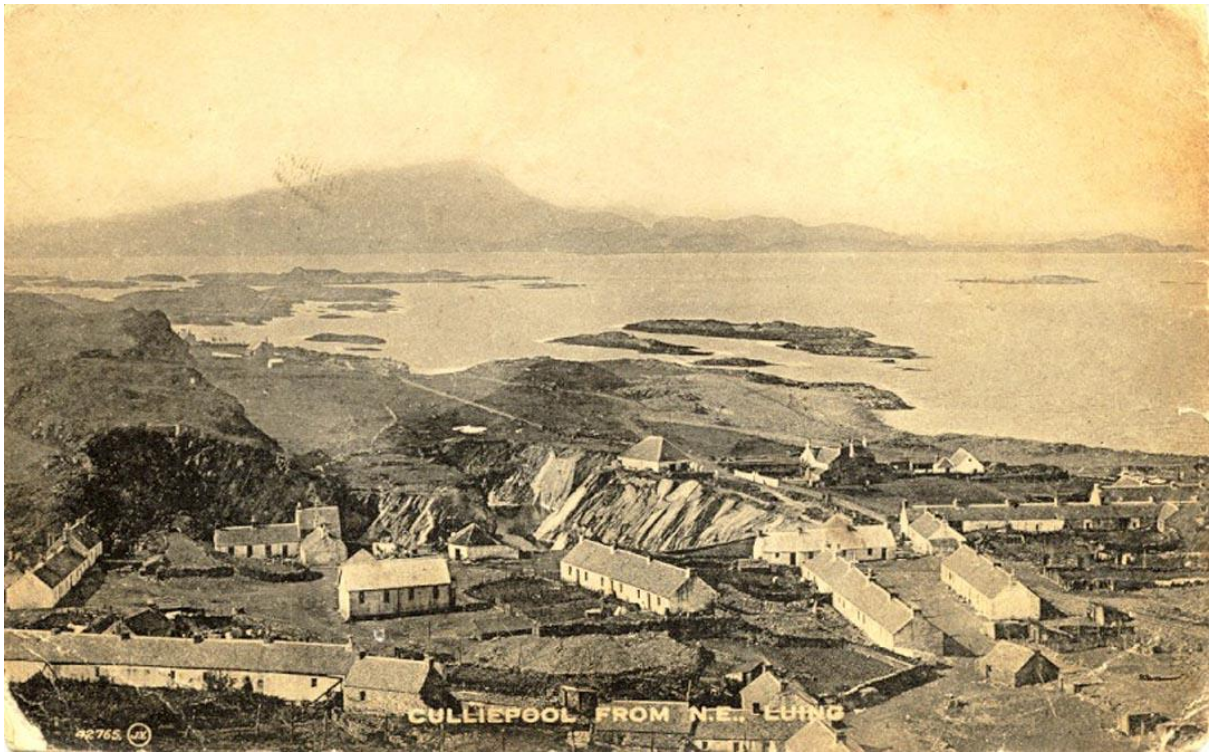

Image 1 – Cullipool from North East Luing

Luing's Slate Heritage

The Isle of Luing, part of Scotland's historic 'Slate Islands,' has a rich quarrying history, with slate production dating back centuries.[166] Mary Withall's historical work on the slate islands offers insight both into the industrial importance of the quarries and the social life of the communities they sustained.[167] The slate extracted from Luing and neighbouring islands, such as Easdale and Seil, has played a crucial role in Scotland's built heritage, with material used in notable structures from the 12th century onwards.[168] This led to the Luing being known as one of the 'the islands that roofed the world' in the 19th century. However, the island saw its quarries close during the 1960s,

[166] Scottish Government, National Islands Plan, 2018, https://www.gov.scot/publications/national-plan-scotlands-islands/.
[167] Mary Withall, *Slate Islands: The Islands That Roofed the World* (Oban: Argyll Publishing, 2001), 7.
[168] Historic Environment Scotland. "Easdale, Slate Quarries and Associated Workings SM10355." Historic Environment Scotland Portal, https://portal.historicenvironment.scot/apex/f?p=1505%3A300%3A%3A%3A%3A%3AVIEWTYPE%2CVIEWREF%3Adesignation%2CSM10355.

primarily due to economic shifts including competition from imported slate, and environmental concerns.

The Scottish Government's *National Islands Plan* (2019) drew attention to the interconnected challenges faced by islands like Luing, including population decline, limited employment, and threats from climate change.[169] Since the quarry closures, the island's population has dwindled from a peak of 600 to around 150 today. The population on the island has faced resulting challenges, such as limited employment opportunities and a fragile local economy.[170] The declining number of working age residents on the island has had an impact on the economic and community resilience on Luing. Moreover, the decline of the slate industry on Luing has contributed to coastal erosion, as abandoned quarries and altered landscapes have reduced natural barriers that once helped protect the shoreline. Combined with rising sea levels and more frequent storms due to climate change, parts of the coast are now more vulnerable to damage and flooding.[171]

As well as these specific challenges on the island itself, Scottish slate has not been quarried for over 50 years, creating a shortage of authentic local roofing materials.[172] This has forced projects that require slate to rely on imported goods from countries such as Spain.[173] A reliance of foreign slate import has raised concerns about sustainability, quality, and economic leakage.[174] These are all concepts that lie at the heart of the community wealth building ethos in Scotland.

Reviving the Industry

The proposed reopening of a slate quarry on Luing aims to revitalise the industry, creating jobs and addressing the shortage of high-quality Scottish slate. The Isle of Luing Community Trust (ILCT) is spearheading the initiative, with support from organisations such as HES and Highlands and Islands Enterprise (HIE).[175] The ILCT is a local development trust on the Island that was formed around 20 years ago, explicitly to

---

[169] Scottish Government, National Islands Plan, 2018, 6-10 https://www.gov.scot/publications/national-plan-scotlands-islands/.

[170] *Isle of Luing Community Trust Slate Enterprise: Business Plan and Development Framework*. May 2023. Accessed April 15, 2025. https://www.argyll-bute.gov.uk/moderngov/documents/s194975/Isle%20of%20Luing%20Comunity%20Trust%20Slate%20Enterprise%20May2023.pdf

[171] Graham Briggs, "Luing: A Second Chance for Scottish Slate?" *Historic Environment Scotland Blog*, May 26, 2022, https://blog.historicenvironment.scot/2022/05/luing-a-second-chance-for-scottish-slate/.

[172] Natalie Bushell, "The Rise and Demise of Scotland's Historic Slate Industry," *Engine Shed Blog*, April 17, 2020, https://blog.engineshed.scot/2020/04/17/scottish-slate-industry/.

[173] *Direct Slating Supplies Ltd*, "About Us," https://www.directslatingsupplies.co.uk/about.html; CUPA PIZARRAS, "Blairlogie, Scotland – Natural Slate," https://www.cupapizarras.com/usa/news/blairlogie-scotland-natural-slate/.

[174] Graham Briggs, *Scottish Slate: Re-Imagining Scotland's Slate Industry* (Scottish Stone & Slate, Technical Conservation Education & Training, May 22, 2024).

[175] Alison Campsie, "Industry Set to Return to Tiny Scottish Island After 60 Years," *The Scotsman*, August 14, 2024, https://www.scotsman.com/heritage-and-retro/heritage/industry-set-to-return-to-tiny-scottish-island-after-60-years-4740990.

pursue both economic and heritage goals for the island.[176] Luing's slate heritage is central to the Trust's work, but their first major project was the creation of the Atlantic Islands Centre, a combined heritage museum, café, and community hub celebrating local history. By the late 2010s, however, it became clear to ILCT that the economic fragility on Luing would need to be tackled.[177] Slate was identified as a potential vehicle to tackle problems on the island. The project aligns with national strategies, including the National Islands Plan, which emphasises sustainable economic development and the retention of local populations through employment opportunities.[178] As well as offering a solution to problems on the island and Scotland's supply-chain issues more broadly, the project is also a celebration of heritage. In an interview with a Director of the ILST, it was made clear that most people on Luing have had someone in their family-tree who was involved in quarrying.[179] This project, therefore, has contributed to a sense of belonging on the island whilst also aiming to deliver practical solutions to serious issues.

A feasibility study was commissioned in 2020 to re-examine slate quarrying as a viable enterprise on Luing. HES and HIE have worked together on the project, intrigued by the prospect of reviving a traditional material supply chain while bolstering a fragile island economy.[180] Crucially, the ILCT held a unique trump card: it owns the mineral rights to the island's former quarries, a strategic asset acquired years earlier for a nominal sum of one pound.[181] This ownership is particularly noteworthy. As was made clear in interviews, acquiring the mineral rights is the most common barrier communities face when trying to revive historical quarries.[182] Under the Land Reform (Scotland) Act 2016, communities can apply to purchase mineral rights to further sustainable development, but such instances are rare.[183] The ILCT's proactive acquisition and intended activation of these rights for community benefit represent a pioneering approach. This case could serve as a model for other communities aiming to leverage natural resources for local development. With land ownership and community will aligned, what had long been an inert historic site now emerged as the linchpin of a regeneration effort.[184]

[176] External Interview, REF 7567, 4 April 2025.
[177] Ibid.
[178] Scottish Government, National Islands Plan, 2018, https://www.gov.scot/publications/national-plan-scotlands-islands/.
[179] External Interview, REF 7567, 4 April 2025.
[180] Interview with HES Colleague, REF 7568, 27 March 2025.
[181] External Interview, REF 7567, 4 April 2025.
[182] Interview with HES Colleague, REF 7568, 27 March 2025.External Interview, REF 7567,4 April 2025.
[183] Development Trusts Association Scotland, "CRtB - Furtherance of Sustainable Development", https://dtascommunityownership.org.uk/community/other-community-rights/community-right-buy/crtb-furtherance-sustainable-development.
[184] Interview with HES Colleague, REF 7568, 27 March 2025.

Image 2 – Slate Quarry Workers on Luing

Scottish Slate

The disused quarries were not only culturally significant; they also had untapped economic and environmental value. Early community discussions framed slate extraction as a way to supply much-needed traditional roofing material for Scotland's built heritage. The lack of domestic Scottish slate had reached a "crisis" point. For over 50 years no new Scottish slate has been produced, forcing builders to rely on Spanish, Welsh, or Cumbrian slate, often at high cost and with imperfect aesthetic matches for historic buildings in Scotland. HES was keenly aware of this problem, having resorted to foreign slate in past restoration projects due to lack of local supply. A community-led quarry on Luing promised a small but symbolically important reversal of that trend. As one HES colleague noted, 'Slate is a key issue in Scotland … we import nearly all of it, often from Spain', even though abundant raw material lies untouched in places like Luing. The reopening of a slate quarry on Luing could therefore act as a crucial first step in the procurement of Scottish slate and inspire other projects to maximise the use of their natural materials.[185]

The return of Scottish slate also carries historical and architectural significance. As a HES colleague explained, the issue is not only scarcity, but the difficulty of finding substitutes that respect the heritage character of older buildings: 'There's loads of buildings with Luing slate still on them … We get complaints when we replace it with

[185] Ibid.; External Interview, REF 7567, 4 April 2025.

something else. It just doesn't look the same.'[186] Imported slates, often with different colours, grains, and weathering properties, disrupt the visual coherence of traditional roofscapes. The Luing project, then, is not merely about reviving a material industry, but about restoring the aesthetic integrity of Scotland's historic environment. It offers the possibility of 'a good-looking Scottish slate that matches what's already on the roofs',[187] helping conservation efforts meet both technical and cultural standards.

Employment

The ILCT aim to generate local employment opportunities through the slate project. The business plan targets the direct creation of 6 to 8 jobs, which for an island of Luing's size would represent a transformative impact. One HES colleague said that this increase in employment would be 'massive for Luing', pointing out that it would be enough to support 'six families who are able to, kind of, move and create a living'.[188]

A key theme to emerge from interviews was the recognition that the quarry, as a historic environment asset, could create distinctive types of work. As one HES colleague put it, 'this isn't just about pulling material out of the ground. It's about preparing a material for very specific conservation use.'[189] This distinguishes the project from conventional extractive ventures and aligns it more closely with CWB's commitment to meaningful, place-specific employment. These heritage-specific roles demand precision, knowledge of traditional methods, and often training beyond what's available on-island. While the extraction process at the quarry will use modern machinery and techniques, the finishing of the slate, including splitting, dressing, and preparing it for conservation use, relies on skills associated with traditional craftsmanship.[190] In this way, the historic environment determines both the kinds of jobs that are created and the skill levels required to deliver them.

Though community development is at the heart of the ILCT's work, an ILCT Director expressed concern that few people on Luing may be able or willing to take up such roles, particularly younger residents.[191] Moreover, the rural setting limits labour availability, while the nature of the work demands technical competence. The island may thus find it difficult to sustain a skilled workforce over time. Filling even the modest number of proposed jobs may be challenging given Luing's rural setting and limited working-age population. Younger residents may lack either the opportunity or the inclination to remain on the island unless longer-term career pathways and housing are available. As the Director noted, building the project's legacy will require going beyond the immediate roles and will require engaging young people, developing training opportunities, and creating conditions that encourage them to stay or return.[192] HES and the ILCT have explored ideas such as career taster sessions for school pupils, rooftop

[186] Ibid.
[187] Ibid.
[188] Interview with HES Colleague, REF 7568, 27 March 2025.
[189] Ibid.
[190] Ibid.
[191] External Interview, REF 7567, 4 April 2025.
[192] Ibid.

rig demonstrations, and partnerships with heritage training providers to try and combat these potential issues. The Luing Slate Circular Economy Study, for example, proposed a school outreach model where Argyll pupils could visit the quarry, split slate, and learn about slate heritage at the Atlantic Islands Centre.[193] This aligns with the Scottish Government's CWB pillar of fair work that advocates for 'providing access to fair, meaningful work and opportunities for training and progression.'[194] A HES colleague also suggested that a company with expertise may be brought into the Luing project in a mentoring capacity to address the skills development issues on the island.[195] The aspiration to direct funding towards a company who can help skill development in a rural setting aligns closely with both the spending and workforce pillars of the CWB agenda.

Another aspiration that was mentioned in the interviews was the idea of producing value-added products crafted from lower-grade slate. These could include engraved coasters, tableware, or decorative items for sale in gift shops and at the Atlantic Islands Centre. As one interviewee explained, 'they could be making cheese boards, coasters … it pains me to see the kind of Scottish Highland cow on a piece of Spanish slate', underscoring the missed opportunity of not using local materials for local cultural products.[196] There was a shared belief that residents would take pride in making and selling items from Luing slate, with one suggestion being that a person could say 'I split that slate, dressed it, and engraved it', tying craftsmanship directly to community identity and heritage employment.[197]

Coastal Erosion

Just as compelling to ILCT as the economic benefits of reopening the quarry was the discovery that doing so could also address urgent environmental needs. Coastal erosion threatens the village of Cullipool on Luing's Atlantic shore, where storms have washed away the protective slate waste beaches formed through past quarrying activity.[198] In planning the new enterprise, geologists determined that the overburden and waste rock from renewed slate extraction could be repurposed to restore these natural storm defences.[199] What began chiefly as a heritage-driven quest for Scottish roofing slate pivoted toward climate adaptation, and now the quarry project's primary

[193] Historic Environment Scotland and FOD Architecture, *Luing Slate Circular Economy Study* (2022), 5. Available at: https://isleofluing.org/application/files/2216/3291/2235/Luing_Slate_Circular_Economy.pdf
[194] Scottish Government, *Building Community Wealth in Scotland: Consultation Paper* (2023), https://www.gov.scot/publications/building-community-wealth-scotland-consultation-paper/pages/3/.
[195] Interview with HES Colleague, REF 7568, 27 March 2025.
[196] Ibid.
[197] Ibid.
[198] Isle of Luing Community Trust, "Developing a Small Scale Slate Enterprise," May 2023, p. 6 https://www.argyll-bute.gov.uk/moderngov/documents/s194975/Isle%20of%20Luing%20Comunity%20Trust%20Slate%20Enterprise%20May2023.pdf?utm_source=chatgpt.com
[199] Interview with HES Colleague, REF 7568, 27 March 2025.

driver has become about coastal protection, with slate production seen as a valuable by-product.[200]

The interviewees both confirmed that tackling coastal erosion has become the project's most crucial aspect.[201] The village of Cullipool, perched on the island's exposed Atlantic shore, has long relied on a slate waste beach formed during the original quarrying period. As storms intensify and sea levels rise, this protective barrier has degraded, leaving homes and infrastructure vulnerable.[202] Neither the Dynamic Coast project which extensively mapped and assessed coastal erosion risks across Scotland, nor the the SCAPE Trust's Coastal Zone Assessment Surveys included Luing.[203] However, modelling by geographer Jim Hansom has projected that significant parts of the village could be inundated through sea level rise within decades without intervention.[204] Initial estimates for conventional coastal defences, such as armoured sea walls, exceeded £3 million.[205] This amount would, of course, be out of reach for the community on the island. Reopening the quarry on Luing, thus, was viewed as a method of tackling coastal erosion as well as producing economic benefits. One HES colleague explained the following:

> We need to remove 30,000 cube of material. That would essentially re-nourish the beach and get you to the workable slate … you're not producing a quarry to produce roofing slate. You're setting up a quarry to kick your coastal erosion into the long grass.[206]

The quarry, once a symbol of Luing's industrial past, was reframed as an environmental infrastructure site. The project would provide economic, heritage and environmental benefits.

This integrated approach exemplifies how the historic environment can be leveraged in multiple ways. Luing's slate is now viewed as a strategic resource. Simultaneously, the quarry can serve as the basis for local business, a source of material for conserving historic buildings, and a solution to modern resilience challenges. As a member of the ILCT summarised, this project 'links everything – jobs, housing, the school, transport, cost of living' into one holistic vision.[207]

---

[200] Ibid.
[201] Interview with HES Colleague, REF 7568, 27 March 2025; External Interview, REF 7567, 4 April 2025.
[202] Graham Briggs, "Luing: A Second Chance for Scottish Slate?" *Historic Environment Scotland Blog*, May 26, 2022, https://blog.historicenvironment.scot/2022/05/luing-a-second-chance-for-scottish-slate/
[203] Dynamic Coast. "Reports." Accessed April 15, 2025. https://www.dynamiccoast.com/outputs.
[204] Interview with HES Colleague, REF 7568, 27 March 2025.
[205] Ibid.
[206] Ibid.
[207] External Interview, REF 7567, 4 April 2025.

Community Control and Inclusive Ownership

A fundamental factor shaping the Luing project's approach to procurement and employment is community control. Unlike other forms of development driven by external firms or government agencies, the slate venture on Luing is community-led and community-owned. The ILCT, composed of local residents, provides the institutional vehicle for this inclusive ownership model.[208] In interviews with those involved both from an ILCT and HES capacity, it was made clear that the project on Luing has been largely been made possible by the ILCT's acquisition of mineral rights.[209] As one HES colleague explained, 'land and mineral rights are usually major barriers to quarrying', but in Luing's case this barrier was removed by community ownership.[210] Though the acquisition of the mineral rights was a crucial step, those rights were effectively worthless until paired with planning permission and a viable business plan. The ILCT obtained the necessary minerals planning consent in 2022, instantly transforming their notional asset into a tangible one with investment potential.[211] 'Now they've got both. They can go to a bank or investor and say, "we're ready. Here's our asset,"' explained a HES colleague involved in the project, contrasting Luing's position with that of other communities who would struggle to assemble such enabling conditions.[212]

This emphasis on community control aligns closely with the principle of inclusive ownership, one of the five pillars of CWB as defined in Scotland's emerging economic strategy.[213] This pillar states that local people should have a meaningful stake and influence on enterprises that create wealth within their community.[214] If the project to revive the quarry in Luing is successful, the profits will be controlled by the community ensuring that profits circulate back to the island rather than to distant shareholders.[215]

Community Acceptance

Evidence gathered from the interviews also suggests that the community control on the Luing Quarry project has been vital in winning broader acceptance for the project. Had a private mining company arrived proposing to reopen Luing's quarries, it is unclear whether the community would have responded with scepticism or resistance. Given there was some resistance to the project despite the community-led aspect, this very

---

[208] Ibid.
[209] Ibid.; Interview with HES Colleague, REF 7568, 27 March 2025.
[210] Interview with HES Colleague, REF 7568, 27 March 2025.
[211] Isle of Luing Community Trust, *Developing a Small Scale Slate Enterprise* (May 2023), p. 5. Available at: https://www.argyll-bute.gov.uk/moderngov/documents/s194975/Isle%20of%20Luing%20Comunity%20Trust%20Slate%20Enterprise%20May2023.pdf
[212] Interview with HES Colleague, REF 7568, 27 March 2025.
[213] Scottish Government. "Community Wealth Building." *Our Place*. Accessed April 7, 2025. https://www.ourplace.scot/about-place/themes/place-based-investment/community-wealth-building.
[214] Scottish Government, *Scotland's National Strategy for Economic Transformation* (Edinburgh: Scottish Government, 2022), 21–23. Available at: https://www.gov.scot/publications/national-strategy-economic-transformation/
[215] External Interview, REF 7567, 4 April 2025.

well could have been greater if the profits were not going to serve the community. Indeed, local opposition often hinders extractive industry plans in rural Scotland, especially when profits are perceived to flow outward while environmental or social burdens remain local.[216] Tamsin Wake and Kim Pratt's report on community resistance to extractive developments across rural Scotland for Friends of the Earth Scotland helped in highlighting this pattern. It demonstrated, using several case studies, that communities often oppose projects where financial gain is perceived to flow to external investors.[217] Thus, community-run enterprises may also contribute towards the practical component of community acceptance. The slate initiative originated from within Luing and is run by the ILCT, who have delivered projects previously that have benefited the people who live on the island. This is a fundamentally different dynamic from a situation where a private stakeholder uses an asset for private profit. As one HES colleague noted in an interview, 'If a private company had come in saying they wanted to open a quarry, people would've pushed back. But because it's the community doing it, that changes everything.'[218]

Community engagement

Though the community driven approach has garnered support for the quarry project, the process has not been free of internal tensions. Some residents initially worried that benefits might accrue only to certain parts of the island or specific groups; whilst others continue to worry about tranquillity on the island being disrupted through quarrying activity.[219] These concerns were addressed through extensive community engagement, emphasising island-wide benefits rather than sectional interests. In an interview with a Director of the ILCT, they pointed out that, on an island, defining 'the community' is more straightforward than in urban contexts.[220] This meant that having frank discussions about issues on Luing and the potential of the quarry were possible, perhaps more easily so than if the project were to take place elsewhere.[221] By rooting decision-making in local hands, the project not only advanced democratic ownership but also navigated the social license issues that often plague development projects.

Building Capacity

The Luing case also highlights the supportive role that public bodies can play without usurping control. HES and HIE provided technical help, feasibility funding, and a dedicated development officer post, but deliberately avoided 'swooping in and running it all'.[222] As one HES representative explained, if a public agency delivered the project

---

[216] Tamsin Wake and Kim Pratt, "Communities and Transition Mineral Mining in Scotland," *Friends of the Earth Scotland*, January 2025, 4. Available at: https://foe.scot/wp-content/uploads/2025/01/Communities-and-transition-mineral-mining-in-Scotland-5.pdf
[217] Ibid.
[218] Interview with HES Colleague, REF 7568, 27 March 2025.
[219] External Interview, REF 7567, 4 April 2025.
[220] Ibid.
[221] Ibid.
[222] Interview with HES Colleague, REF 7568, 27 March 2025.

end-to-end, 'the learning opportunity is lost' for the community.[223] Instead, the strategy was to act as enablers and advisors, allowing local actors to build their own capacity through doing. The Scottish Government's *National Strategy for Economic Transformation* explicitly identifies CWB as an approach that can support communities to 'build their own capacity'.[224] As seen in the ILCT's ability to successfully deliver the Community Centre a project a decade earlier, local empowerment builds capacity within communities to deliver similar or more complex projects in the future. This is why community wealth building in Scotland, and indeed elsewhere, emphasises the need for local delivery rather than centralised interventions.[225] As one HES colleague, who previously worked with HIE on the Luing project, explained, the slate initiative had to grapple with a familiar challenge: 'many island communities just don't have the people power to deliver projects like this … you see the same volunteers, often retired, delivering everything'.[226] Capacity-building was therefore critical, but the goal was to support without taking over: 'we're careful not to deliver the project for them. It's community-led', they noted, reflecting an ethos of enabling rather than replacing local agency.[227] HIE's support, including funding a Development Manager post, reflected this long-term empowerment model.

Procurement

Procurement has been, and continues to be, a crucial component of the project on Luing. The *Public Procurement Strategy for Scotland (2023–2028)* explicitly calls for procurement to support small businesses, create local employment, and promote inclusive growth.[228] The Luing case offers a practical example of how procurement can contribute to community wealth building. As one interviewee noted, 'the procurement strategy for Luing's quarry project is inherently tied to community wealth building by prioritising local value'.[229] Rather than outsourcing the quarry to a commercial operator, the community retained ownership and control, allowing procurement decisions - such as engaging engineers or sourcing environmental services - to remain rooted in the island's development goals. One HES colleague reflected that procurement within conservation projects is 'well established' as a space for embedding apprenticeships, school outreach, and early career engagement, especially where major contractors are involved.[230] These firms were seen as going 'beyond box ticking' by delivering meaningful community outcomes through the procurement process.[231] One example highlighted in

---

[223] Ibid.
[224] Scottish Government. *Scotland's National Strategy for Economic Transformation: Delivery Plan*. Edinburgh: Scottish Government, October 2022, 14–16. https://www.gov.scot/publications/scotlands-national-strategy-economic-transformation-delivery-plans-october-2022/.
[225] Ibid.
[226] Interview with HES Colleague, REF 7568, 27 March 2025.
[227] Ibid.
[228] Scottish Government, *Public Procurement Strategy for Scotland: 2023–2028* (Edinburgh: Scottish Government, 2023), 9–13. Available at: https://www.gov.scot/publications/public-procurement-strategy-for-scotland/
[229] *Luing, Caerlaverock, Culzean, Cromarty* PDF, 5–6. Available at: https://www.scotsman.com/heritage-and-retro/heritage/industry-set-to-return-to-tiny-scottish-island-after-60-years-4740990
[230] Interview with HES Colleague, REF 7568, 27 March 2025.
[231] Ibid.

that interview was career taster sessions being embedded into procurement contracts to expose local school pupils to construction careers.[232]

Evidence from the interviews suggest that the ILCT gradually recognised both the possibilities and constraints that procurement presents.[233] Some technical work was commissioned directly or via negotiated contracts, including the appointment of the British Geological Survey and consultants to prepare the minerals planning application.[234] The demand for specialists in niche areas meant that local procurement was not always feasible, despite the ILCT's desire to contribute to local employment. Other works, such as the business plan and feasibility study, were competitively tendered with support from HIE, using simplified processes accessible to small firms.[235] To access feasibility funding and environmental services, the ILCT was required to follow formal procurement procedures.[236] Trustees were keen to prioritise local contractors but found that formal rules sometimes excluded them. As one representative explained, 'the first thing that happens is you put a procurement thing out and it immediately goes somewhere else'.[237] Procurement decisions, echoed one HES colleague, aimed to 'keep it local where possible', but were shaped by the availability of suitable suppliers.[238] This created a barrier as local contractors were often unable to meet insurance, accreditation, or administrative thresholds required for public tenders.

In Luing's case, procurement was used to hire a development officer, commission geotechnical and feasibility studies, and explore the use of Luing slate in future conservation work.[239] The interviewees noted that regardless of the contract or lack of local suppliers, three competitive quotes were required as part of the open procurement process.[240] These procedural demands risked displacing spending away from the island and creating resistance to the philosophy that underpins CWB in Scotland. As one project partner observed, while agencies like HIE were flexible and understanding, 'that sort of pragmatism should be written into the procurement system itself, not left to personal goodwill'.[241] The implication was that without HIE's understanding and flexible attitude, the rigidity of procurement procedures may have negatively impacted local benefits on Luing.

As the project progressed toward implementation and sought major capital investment from the Regeneration Capital Grant Fund and the National Lottery Heritage Fund, more issues with procurement requirements became evident. All substantial contracts were now required to go through open re-tendering, regardless of existing relationships or earlier work: 'once the big capital money comes in', one HES colleague

[232] Ibid.
[233] Ibid.
[234] Interview with HES Colleague, REF 7568, 27 March 2025.
[235] Ibid.; External Interview, REF 7567, 4 April 2025.
[236] External Interview, REF 7567, 4 April 2025.
[237] Ibid.
[238] Interview with HES Colleague, REF 7568, 27 March 2025.
[239] Ibid.
[240] Ibid.
[241] Ibid.

explained, 'everything has to go back out to tender … that's the line in the sand'.[242] For Luing, a small and remote island, this posed a major challenge. Contractors were often reluctant to quote for small, logistically difficult jobs, and when they did, costs could be prohibitively high. A HES interviewee pointed out that one contractor's bid reportedly came in at double the expected amount.[243] One of the Directors of the Trust also mentioned that in discussions with other community groups that minor breaches of procurement protocols, such as not advertising in the correct format, had led the loss of funding.[244]

Partner agencies like HIE and HES can act as support outlets to mitigate these risks. HIE, for instance, funded a three-year Development Manager post, specifically to provide the professional capacity required to oversee procurement and manage contractors.[245] Interviews uncovered, however, that recruitment for this role was difficult, as it took three attempts to find someone with the right expertise willing to relocate.[246] Those involved with the project noted that, though procurement is vital for projects like the quarry on Luing, the processes can sometimes be detrimental to the CWB agenda they are designed to promote. A member of the ILCT even suggested that the processes often undermine the principles that underpin CWB.[247] CWB emphasises the use of financial power to power work for local places. These procurement complexities, however, often lead to bigger firms being successful because of their ability to deal with the accreditation and compliance demands.[248] Formal tenders often require registration, insurance, or specialist qualifications that many rural contractors do not possess. An ILCT Director noted that 'small companies neither have the time nor the funding to put their staff through multiple accreditations'. In their view, this exclusion is not just incidental. Rather, the process 'deliberately excludes' smaller firms.[249] The result is that contractors with the right credentials, but with no local connection, end up winning jobs, while community-rooted firms are shut out.

This critique from a member of the ILCT aligns with wider critiques of Scottish Procurement policy. The Economy and Fair Work Committee's report on post-legislative scrutiny of the Procurement Reform (Scotland) Act 2014 noted that SMEs and third-sector organisations continue to face 'inconsistency, bureaucracy, and inflexibility' when trying to participate.[250] Even where community benefit is formally considered in scoring tenders, the system can favour superficial compliance. As one Luing partner

[242] Ibid.
[243] Ibid.
[244] External Interview, REF 7567, 4 April 2025.
[245] Ibid.
[246] Ibid.
[247] External Interview, REF 7567, 4 April 2025.
[248] Ibid.
[249] Ibid.
[250] Scottish Parliament, Economy and Fair Work Committee, *Post-legislative scrutiny of the Procurement Reform (Scotland) Act 2014*, 8th Report, 2024 (Session 6), published June 2024, p. 4. Available at: https://www.parliament.scot/-/media/files/committees/economy-and-fair-work-committee/correspondence/2024/post-legislative-scrutiny-of-the-procurement-reform-scotland-act-2014.pdf

explained, ‘there’s got to be something within the procurement process that rewards more than the minimum’.[251]

Procurement and Environmental Resilience

The coastal erosion aspect of the project adds another layer of importance in navigating procurement processes and overcoming complexities. A member of the ILCT pointed out that the alignment of goals was fortuitous: ‘The protection of the shore is a civil engineering project. Quarrying is a civil engineering project. The two things align. So, procuring skills or services in those areas are probably in the same ballpark’.[252] This overlap meant some professional services, such as geotechnical surveying, environmental assessment, and early planning support, could be procured as integrated tasks, helping avoid duplicated contracts and reinforcing a shared project vision.[253]

Despite the civil engineering overlap, however, issues still arose during procurement. One interviewee explained that, although funders understood the connections between heritage regeneration and shoreline protection, this linkage was ‘not formally part of the case in terms of procurement’.[254] Though the erosion protection work and the quarry setup were ‘both civil engineering projects’, they were procured and treated separately under current systems.[255] For instance, permissions and services for erosion-related works had to be sought as standalone contracts, even though they directly overlapped with slate removal activities. As the same interviewee observed, this fragmented approach often meant that ‘procurement around renewable energy or shoreline work is treated as a separate industrial area’, even when it could logically be bundled.[256] Such segregation may undermine the ambition to deliver public value holistically. One interviewee noted that even though ‘protecting the village was the most important part’, it was treated as a distinct tender stream, subject to general design and licensing rules.[257] This reveals a gap between procurement's regulatory design and the multi-outcome, place-based realities of rural and island projects.

ILCT as a Supplier

As well as acting as a procurer of goods and services, the ILCT is seeking to position itself as a supplier of locally produced materials to the heritage sector. The Trust’s *Slate Enterprise Business Plan* outlines a commercial model that relies on selling Scottish slate to conservation contractors, public bodies, and heritage homeowners across

[251] Interview with HES Colleague, REF 7568, 27 March 2025.
[252] External Interview, REF 7567, 4 April 2025.
[253] Ibid.
[254] Ibid.
[255] Ibid.
[256] Ibid.
[257] Ibid.

Scotland.[258] Interviewees confirmed that that there is significant demand for locally sourced, authentic slate for historic buildings, and that Luing could meet an unmet need. One colleague described the Luing project as a 'first step in getting Scottish slate back into the conservation supply chain'.[259] Planning guidance, grant funding, and conservation specifications could be used to encourage or prioritise the use of Scottish slate where appropriate. One interviewee suggested that HES might set conditions in grant awards or casework that favour domestic slate when restoring buildings that originally used it.[260] This would align procurement with conservation outcomes while supporting community wealth building. Barriers were also referenced in the interviews. Procurement policy often prioritises cost-efficiency and, as a community venture, Luing's product may struggle to compete with mass-imported slate on price alone.[261] This point was brought up by staff within HES too. One interviewee suggested that if the cost of Luing slate is far greater than the alternative imported Spanish slate, it may be hard to justify from their perspective.[262] Still, as the ILCT's business plan argues, supporting community-owned supply chains adds value well beyond material cost.[263] It would help in strengthening rural employment, reviving heritage skills, and reducing carbon impact. As was emphasised in interviews, it is also crucial for shoreline stabilisation. In this case, public procurement systems must recognise and reward community value, not just commercial efficiency.

CWB Pillars

The slate quarry project on Luing aligns closely with the Scottish Government's CWB pillars. Even so, interviews revealed perceived issues amongst the ILCT in practically applying the policy framework. Though the ILCT did not set out to design a 'CWB project', many of its core elements emerged through the project's progression. A Director of the ILCT noted: 'is it just inherent … is that just the aim of the entire thing?'.[264] A HES staff member echoed this sentiment, reflecting that early in the process 'CWB wasn't a huge part of our thinking', but the island-wide planning process helped clarify how jobs, heritage, housing, and infrastructure were interconnected.[265] The community-driven nature of the project and natural focus on local benefit predated the CWB policy vocabulary, but as the project evolved, so did the recognition that it closely mirrored CWB's principles.

Inclusive Ownership: The ILCT owns the quarry site and mineral rights, allowing the community to control how the asset is used.

---

[258] Argyll and Bute Council, *Isle of Luing Community Trust Slate Enterprise: Business Plan and Development Framework*, May 2023, accessed April 15, 2025, https://www.argyll-bute.gov.uk/moderngov/documents/s194975/Isle%20of%20Luing%20Comunity%20Trust%20Slate%20Enterprise%20May2023.pdf.
[259] Interview with HES Colleague, REF 7568, 27 March 2025.
[260] Ibid.
[261] External Interview, REF 7567, 4 April 2025.
[262] Interview with HES Colleague, REF 5568, 17 April 2025.
[263] Argyll and Bute Council, *Slate Enterprise Business Plan*, 5.
[264] External Interview, REF 7567, 4 April 2025.
[265] Interview with HES Colleague, REF 7568, 27 March 2025.

Workforce: The project aims to create a small but stable number of jobs, significant for Luing's population. A knowledge transfer scheme has also been proposed to build local skills over time.

Spending: The ILCT has attempted to spend on local businesses by breaking up tenders to give local firms a fair chance. There have been some procurement barriers.

Land and Property: The Trust's acquisition of mineral rights can turn dormant land into a productive community asset that has links to housing, employment and coastal resilience.

Finance: The quarry is designed to become a self-sustaining enterprise, reducing reliance on ongoing grants.

Despite this strong alignment, interviewees noted that the CWB framework is 'not always clear', especially for small voluntary organisations navigating complex funding and procurement systems.[266] A member of the ILCT also described how, even with a strong local contractor willing to help, 'the process deliberately excludes them' due to accreditation and compliance burdens.[267] At times, interviewees felt that national policy intent and local delivery realities were misaligned.[268] At one stage in the interview with a Director of the ILCT, they even described CWB as a 'bureaucratic nightmare', stating that 'nobody knows what it's trying to achieve'. This disconnect suggests that embedding CWB effectively into heritage work may require not just alternative funding mechanisms or updating procurement criteria, but clearer articulation of what CWB looks like in practice, especially in rural or voluntary-led settings. A Director of the ILCT's comment that it remains 'a bit of a mystery' even to involved communities highlights the risk of CWB becoming symbolic rather than functional, unless accompanied by grounded guidance and support. It was suggested in the interview that even a meeting or a visit from a policy specialist might contribute to a better understanding of what CWB is and how to apply it.[269]

*****

The Luing slate quarry project demonstrates how the historic environment can influence local procurement and employment in ways that support community wealth building. Community ownership of the quarry enabled decisions to reflect local priorities, including the use of targeted procurement and a focus on skill development on the island. The project shows how a heritage asset – in this case a traditional material - can deliver economic, social and environmental value by producing materials for conservation, creating jobs and contributing to coastal protection. At the same time, it highlights structural challenges. Procurement frameworks often struggle to accommodate integrated community aims, and despite strong alignment with CWB principles, interviewees expressed uncertainty about what the concept means in practice. Realising the full potential of heritage-led regeneration will require clearer

[266] External Interview, REF 7567, 4 April 2025.
[267] Ibid.
[268] Ibid.
[269] Ibid.

guidance and more responsive systems to help communities translate these ambitions into practical and lasting outcomes.

Section 5: Cromarty Harbour Chapter (Case Study 2)

This chapter explores the case of Cromarty Harbour as an example of how heritage assets can shape local economic outcomes. It investigates how the processes surrounding conservation funding, procurement, and skills development reflect and affect wider economic goals, particularly in rural settings. By engaging with this case, the chapter contributes to a broader enquiry into how the historic environment may influence patterns of local employment and spending, and how CWB values might be operationalised in practice. As a community-owned harbour supported by HES Grant funding, Cromarty illustrates how procurement choices, funding mechanisms, and ownership structures may work in practice to support the wider CWB agenda in Scotland.

Cromarty Harbour, located on the southern shore of the Cromarty Firth in the Scottish Highlands, has long played a pivotal role in the maritime, economic, and cultural life of the town of Cromarty. Its position at the mouth of the firth gave it natural advantages as a sheltered anchorage, which were recognised as early as the sixteenth century.[270] By the late eighteenth century, significant harbour improvements were commissioned under the direction of engineer John Smeaton and funded in part by George Ross of Cromarty, whose published reports provide detailed engineering insight into harbour construction.[271] By the nineteenth century, Cromarty Harbour was a centre for fishing and commerce.[272] During the First and Second World Wars, its strategic location made it a vital base for the Royal Navy. The protective headlands known as 'The Sutors' and the depth of the firth gave it particular importance in wartime operations.[273] In the late twentieth century, however, commercial use declined.

[270] "From Viking Raids to the Present Day, Cromarty Harbour Has a Rich Story to Tell," *Ross-shire Journal*, 30 April 2020, https://www.ross-shirejournal.co.uk/news/from-viking-raids-to-present-day-cromarty-harbour-has-a-rich-story-to-tell-196349/.
[271] *Reports of the Late Mr. John Smeaton* (London: Longman, 1812), vol. 2.
[272] "Cromarty Harbour," *Undiscovered Scotland*, accessed April 2025, https://www.undiscoveredscotland.co.uk/cromarty/cromarty/index.html.
[273] "Cromarty Naval Base History," *Royal Navy Archives*.

Image 3 – Cromarty Harbour, early twentieth century (Photo courtesy of the Cromarty Harbour Trust)

The Cromarty Harbour Trust

Although the Cromarty Harbour Trust has owned and managed the harbour since 1975, recent regeneration efforts have significantly expanded community involvement. The Trust, a statutory body established under the Harbours Act 1964, operates the harbour for public benefit, and in recent years has worked closely with local residents and stakeholders to revitalise the harbour's infrastructure and community role.[274] Like many Scottish harbours transferred from council control to community trusts in recent decades, Cromarty's is intended to serve broad local interests. A Harbour Working Group of volunteers manages day-to-day operations, providing berths for fishing and leisure vessels while safeguarding the historic fabric of the piers and shoreline. The harbour's condition, however, had deteriorated after decades of heavy use and storm exposure. By the late 2010s, substantial repairs and upgrades were needed to secure its future. As a result, the community mobilised to seek funding for a major restoration.[275]

Grants Assessment

The Cromarty Harbour project, though an uncommon kind of heritage project, was viewed with promise by the HES grants team. One member of staff noted that, while most grants are typically awarded to historic buildings, this was 'not the typical type of

[274] Cromarty Harbour Trust, *Trustee Report and Accounts for the Year Ended 31 March 2022*, accessed April 2025, https://s3-eu-west-1.amazonaws.com/s3.spanglefish.com/s/3168/documents/cht-trustee-report-2022.pdf
[275] Ibid.

project, particularly for communities'.[276] Despite this, the application submitted by the Cromarty Harbour Trust was considered especially strong. The Trust had engaged a conservation-accredited architect, developed technical proposals in detail, and carried out meaningful consultation with local residents and stakeholders.[277] A member of the HES grants team remarked: 'We were impressed by the quality of their application and how much work they had done in advance. They had gathered letters of support, had strong community backing, and a good conservation architect on board'.[278] These preparatory steps provided evidence not only of technical deliverability, but also of strong local support and organisational capacity. Demonstrating community enthusiasm can sometimes be difficult when it comes to grant funding. One interviewee mentioned another current grants proposal that seemed interesting at first, but that is being carried out by several enthusiasts with no evidence of benefit to the wider community.[279] Through community engagement, the Cromarty Harbour Trust were able to demonstrate an extensive amount of community support for the project. The HES interviewee also reflected that the Trust's consultation process gave them confidence in the project's direction.[280]

HES evaluates grant applications on both technical and contextual grounds. This includes the condition and significance of the historic asset, but also the social and economic potential of the proposed work. As one staff member put it, 'we want to see evidence that the community is behind the project. Who's going to benefit? Is it just about fixing stone or is it about people as well?'[281] This perspective was echoed by the Trust. According to one representative, 'we weren't just trying to secure funding — we were trying to secure support'. They explained that the project had been the subject of local discussion well before the application stage, and that the Trust had developed a clear plan through repeated engagement with community stakeholders. They also credited the strength of existing professional relationships, stating that 'we had a very clear plan for what needed to be done, and we were lucky in that we'd built good relationships with professionals, the architect we engaged had worked with us before'.[282] This preparatory work, carried out prior to formal submission, helped position the project as both realistic and community-backed. Although the initial Cromarty Harbour grant application pre-dated the current CWB policy agenda, and thus did not explicitly reference the concept, its focus on inclusive ownership and local benefit still aligned closely with those principles.

Concerns around capacity are common when assessing applications from volunteer-led groups. The extensive initial steps taken by Cromarty Harbour Trust helped to demonstrate to the grants team a potential to deliver the project successfully. As one HES interviewee explained, 'they weren't just passionate. They had the structure and skills to deliver'.[283] This made the Trust a relatively low-risk recipient, and their

[276] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.
[277] Ibid.
[278] Ibid.
[279] Ibid.
[280] Ibid.
[281] Ibid.
[282] External Interview, REF 8567, 17 April 2025.
[283] Ibid.

clarity of purpose was central to securing two successive HES grants. In the grant's context, 'risk' typically refers to the potential for project failure, delays, or poor financial and governance management. HES staff explained that strong planning, clear community backing, and a capable delivery team all contribute to reducing perceived risk.[284]

Procurement

The procurement process for Cromarty Harbour illustrates how the historic environment can act as both an opportunity and a constraint when it comes to embedding local economic benefits. While HES required a fair and transparent procurement process, responsibility for its design and execution lay entirely with the Harbour Trust.[285] The Trust approached this diligently, issuing a formal tender and working closely with its architects and advisers. Due to the remote location, however, and the specialist nature of the works, the initial tender attracted only one bidder. A member of the HES grants team explained: 'they originally went out to tender and got one response, which is quite common for a remote or specialist job'.[286]

This point was echoed by the Trust, who described the challenge of sourcing suitably qualified contractors willing to work on a structure of this complexity and age. 'Stone masons are not ten a penny up here', they explained. 'Then you cross-reference that with harbour experience—wanting to take on the risk of a 250-year-old structure. It's difficult.' Even after re-tendering, options remained limited. 'We started with five [contractors] and ended up with two … miles apart', the representative said, noting that one was excluded based on previous experience.[287] In the end, the Trust proceeded with the most viable option, which, while technically compliant, offered limited opportunity to prioritise local suppliers or embed wider community benefit clauses.

This case illustrates a key limitation in achieving CWB outcomes through heritage procurement. While HES strongly encourages local spend and added value where possible, it also recognises the realities of rural delivery. 'You do have to be flexible', one officer explained. 'If someone's working in Glasgow, we might expect more effort around community benefit. But if it's Cromarty, and you can't even get three tenders, we understand.'[288] The grants team acknowledged that in areas with thin markets or highly specialised requirements, local procurement can be structurally constrained, even where community desire exists. This was clearly the case in Cromarty. The specialist contractor who won the tender brought their own team from the Central Belt, effectively bypassing the local labour pool. In an interview, a member of the Trust noted that: 'The biggest cost of anything we do is deployment, these guys come from the Central Belt, and they're pricing on central belt rates, not Highland salaries'.[289] While the Trust routinely uses local trades for small works, this kind of

[284] Ibid.
[285] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.
[286] Ibid.
[287] External Interview, REF 8567, 17 April 2025.
[288] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.
[289] External Interview, REF 8567, 17 April 2025.

specialist conservation project was out of scope for most local firms. ‘Because of the speciality of the work, we deny our own community the opportunity to get involved’, the representative reflected.[290]

The case demonstrates how the historic environment influences procurement in complex ways. The unique nature of heritage assets often requires specialised contractors who operate at a national rather than local scale. This can limit the economic multipliers associated with heritage spend, especially in rural areas. While the conservation aims of the project were clearly met, the opportunity to retain spend within the community was partly lost. This could be viewed as a significant barrier to embedding CWB outcomes. Nonetheless, the process yielded other forms of local benefit. HES and the Trust both pointed to the organisational learning that took place throughout the project. Trustees gained experience of managing professional procurement, working with technical consultants, and navigating funder expectations. HES staff viewed this as a long-term gain. While the immediate project may not have retained wealth locally, the enhanced capacity of the community to deliver future works increases the chances that CWB outcomes can be realised over time.[291]

What this section ultimately reveals is that while heritage projects offer opportunities to embed community benefit through procurement, those opportunities are highly dependent on market structure, location, and contractor availability. Without structural support or procurement flexibility, even well-intentioned community-led projects may struggle to realise these goals.

Image 4 – Cromarty Harbour (Photo courtesy of the Cromarty Harbour Trust)

[290] Ibid.
[291] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.

Indirect Local Impact

Although procurement constraints meant that most of the project spending did not stay within the local economy, the harbour restoration has nonetheless produced significant local benefits by safeguarding the harbour's continued operation. These are indirect in procurement terms, but they represent direct economic and social gains that speak to the wider value of community-led heritage assets. As the Trust interviewee explained, 'It's not just a historic site — it's an operational space. People use it. Boats use it. Local suppliers use it'.[292] By securing the harbour's long-term functionality, the restoration has ensured continuity for a range of local activities such as seasonal ferry services, visiting yachts, moorings for fishing vessels, and routine maintenance by local trades. Although the conservation contractor did not hire locally, the work enabled Cromarty to continue leveraging the harbour as a living economic asset. This includes commercial vessel income, indirect tourism spend, and the capacity to host harbour-based events. As the Trust interviewee noted, 'the harbour is very much one of the central attractions bringing people in. We're a busy little town in summer, and it's a huge element of the local economy'.[293] Though procurement can be a powerful lever in achieving local benefits, it is not the only mechanism through which community wealth is built. In this case, the most important return on investment lay in enabling functionality. Without repairs, the harbour risked structural decline, threatening not just the asset but the activity it supports. In an interview, a representative of the trust said, 'I don't want to wake up one day and find we've lost a bit of the pier'.[294] Through procurement, whether predominantly local or otherwise, the funding has helped preserve economic continuity in Cromarty.

Heritage guidance increasingly recognises that conservation work can deliver such long-term value, particularly when assets are in active community use.[295] However, current monitoring frameworks tend to focus on delivery-stage metrics - such as contractor selection or number of tenders - rather than follow-on impacts. HES staff themselves acknowledged this limitation: 'We don't really get data on jobs or local procurement spend. Unless there's a problem, we don't always know what happens on the ground'.[296] This shows a wider issue. Even when heritage projects like Cromarty deliver long-term value for communities, that impact is not always tracked or reflected in official reporting. As a result, some of the most meaningful outcomes, especially those linked to CWB, can go unnoticed.

Cromarty also illustrates how community ownership can support non-economic forms of benefit that align with CWB goals. The Trust interviewee described the harbour as a space of 'social cohesion and mental well-being', offering opportunities to meet, sit, walk, and connect. These uses, though difficult to quantify, reflect a broader understanding of wealth, not just income, but place-based quality of life.[297] As previously mentioned, organisational capacity is a serious consideration when it comes

[292] External Interview, REF 8567, 17 April 2025.
[293] Ibid.
[294] Ibid.
[295] Historic Environment Scotland, *Heritage and Place Programme: Guidance Note*, 2022.
[296] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.
[297] External Interview, REF 8567, 17 April 2025.

to the grants process. The Trust's delivery of the project has strengthened its organisational capacity. The procurement process required professional management, architectural coordination, and grant reporting — all of which added to local experience. As the interviewee reflected, 'it becomes easier once you've got a track record … a funder has increased their contribution to us because we're delivering'.[298] These skills, relationships, and reputational capital may enable future work with stronger local retention.

The Cromarty case suggests that procurement should not be seen narrowly as a mechanism for local spend, but as part of a broader system of asset enablement, capacity-building, and community resilience. Even where local contractors are unavailable, conservation investment can unlock long-term, locally embedded benefits that align strongly with the aims of CWB.

Skills

The Cromarty Harbour project focused primarily on essential structural repair, but it also included a small skills component. Approximately £3,000 of the project budget was allocated to a collaboration with the Scottish Lime Centre, aimed at promoting the use of traditional conservation techniques suited to marine settings. HES staff welcomed this inclusion, describing it as a positive example of embedding skills development into project delivery.[299] The Trust explained that this element was planned from the outset. Their aim was not only to ensure appropriate conservation techniques were used, but to increase the visibility of traditional skills in the conservation process. A more ambitious plan to work with the University of the Highlands and Islands was also discussed, including the possibility of involving students on-site during the works. However, these plans did not go ahead due to difficulties with insurance, changes in staffing at the university, and the limited window for delivery.[300] By the time the practical issues were being resolved, the contractor was close to completing the job.

This situation illustrates a broader issue for volunteer-led heritage projects. While the intention to deliver community benefit is often strong, there may be insufficient time, capacity, or contractor buy-in to realise that ambition. One HES officer explained that projects based in rural locations with short timeframes often struggle to add extra elements such as training.[301] Specialist firms may also be reluctant to make changes that slow progress or require additional supervision. Even so, the project showed a clear willingness to explore ways of adding social value beyond the physical works. The Lime Centre training was delivered successfully, and the Trust made early efforts to build academic links. Although the wider training ambitions were not achieved, the steps taken suggest that with more time and guidance, stronger

[298] External Interview, REF 8567, 17 April 2025.
[299] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.
[300] External Interview, REF 8567, 17 April 2025.
[301] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.

outcomes may have been possible. The Trust representative reflected that this could be improved with dedicated resource or clearer advice at the planning stage.[302]

The Cromarty case raises important questions for future funding design. National economic strategy increasingly links heritage with skills, particularly in the context of rural regeneration and inclusive growth. Where community bodies are managing delivery themselves, there may be a need for clearer expectations and more tailored support to embed these outcomes fully.

Monitoring Outcomes

The Cromarty Harbour project demonstrates how heritage investment can support a wide range of community outcomes, including local ownership, economic resilience, and place-based value. Yet the project also highlights a significant challenge in evaluating these contributions. Interviewees made it clear that impacts such as local employment, long-term asset use, and capacity building are not routinely captured in existing monitoring processes. While grantees are required to submit final reports, these are largely descriptive and focus on project completion rather than longer-term economic or social outcomes.[303] This lack of formal follow-up makes it difficult to fully understand how the historic environment influences local procurement and employment practices. A member of the HES grants team acknowledged that 'we do not really get data on jobs or local procurement spend', and noted that, unless specific problems occur, 'we do not always know what happens on the ground'.[304] This limits the ability of funders and delivery bodies to assess whether community wealth building outcomes have been realised, and whether procurement decisions have supported local economic goals. The Trust also reflected on this absence of follow-up. Once the project was completed, there was no contact beyond standard documentation. The representative observed that more structured feedback could have supported internal learning, noting that 'a follow-up after completion would probably have helped learning across the team'.[305]

There was some reflection on how these gaps might be addressed. HES staff suggested that light-touch follow-up, such as short surveys or interviews six to twelve months after completion, could offer useful insights without placing excessive demands on organisations. They also acknowledged that clearer guidance on the types of outcomes HES is interested in would help grantees to plan more effectively, particularly in areas like employment, skills, or local economic value.[306] At the same time, expecting community trusts to carry out formal follow-up or impact reporting may not be realistic. Many are volunteer-run and operate with very limited capacity. Without support or practical guidance, post-project evaluation risks becoming an added burden rather than a useful learning tool. A more workable approach may involve HES initiating informal follow-up, such as a short call or survey six to twelve months after project

[302] External Interview, REF 8567, 17 April 2025.
[303] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.
[304] Ibid.
[305] External Interview, REF 8567, 17 April 2025.
[306] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.

completion or offering optional templates for post-project learning. These tools could provide insight into outcomes like employment, asset use, or community benefit, while keeping expectations proportionate to the scale and capacity of the grantee. This kind of support would strengthen learning across the sector and help ensure that the long-term value of heritage investment is better understood. A similar model has been tested in England through the Taylor Review Pilot, led by Historic England and the Department for Digital, Culture, Media & Sport (DCMS). The pilot introduced Community Development Advisers who maintained ongoing, light-touch contact with volunteer-led groups. This informal engagement not only improved project delivery but also gave funders better insight into outcomes across multiple sites. It offered a way to support learning and gather meaningful feedback without requiring detailed post-project evaluation from grantees.[307]

Community Wealth Building

The Cromarty Harbour project was not developed with CWB in mind, and the concept did not explicitly guide the Trust's decision-making. Yet many aspects of the project's structure and delivery closely reflect CWB principles in practice. These include community ownership of a productive heritage asset, volunteer-led governance, and a clear intention to generate long-term local value. As one HES staff member noted, 'we do not use the language of CWB every day, but most of what we fund does support those aims'.[308] This case offers insight into how the historic environment can shape procurement and employment practices even without explicit alignment to CWB strategy, while also exposing the limitations of current systems in embedding and evaluating those outcomes.

While the Trust did not consciously engage with the CWB agenda, its model of harbour stewardship embodies many of these principles. The organisation is a statutory community body that operates for public benefit. Income from harbour operations is reinvested locally, and the asset itself is maintained as an open-access space for the use of residents and visitors. The HES-funded repair project secured the structural integrity of the harbour, allowing it to continue functioning as a key piece of public infrastructure. This included maintaining safe berths for fishing boats and visiting vessels, enabling the operation of ferry services, and supporting the harbour's role as a staging point for local marine businesses. These activities generate income for the Trust and contribute to local livelihoods, even if not always through direct employment. In this sense, the project contributed to economic resilience by safeguarding an asset that underpins other forms of local economic activity. While the project team did not consider CWB policy goals explicitly during the delivery, the repair project reflects CWB

[307] Frontier Economics, *Taylor Review Pilot Evaluation*, October 2020, Department for Digital, Culture, Media and Sport, https://assets.publishing.service.gov.uk/media/5f76f2db8fa8f55e35265556/Taylor_Review_Pilot_report_-Oct20-FINAL-c.pdf.

[308] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.

goals in practice. As one member of the Trust reflected, 'the harbour is the centre of the town … people come off the ferry … and spend money in local businesses'.[309]

The project also illustrates barriers to deeper CWB integration. The procurement process was shaped by the realities of delivering complex conservation works in a rural setting. Specialist contractors were limited in number, and none were locally based. While HES encourages local spend and added value, both the Trust and funders recognised that in this case, options were constrained.[310] Much of the procurement spend therefore flowed out of the region, reducing the opportunity to retain economic value within the community. The attempt to integrate a skills component also fell short of its full potential. While a small budget supported lime training for contractors, a planned partnership with the University of the Highlands and Islands was not realised due to staffing changes and insurance issues. This mirrors a wider pattern noted in CWB literature: without coordination, resource, and strategic clarity, it can be difficult to translate policy ambitions into delivery-stage outcomes.[311] Volunteer-led organisations may have strong local ties and ambitions but lack the capacity to pursue secondary objectives like training or local job creation alongside core delivery tasks.

Since the project was not framed around the explicit policy goals CWB, and since current grant reporting remains focused on delivery and compliance, broader community benefits went largely unrecorded. There was no formal monitoring of who benefited from the work, what skills were developed, or how procurement choices shaped local economic outcomes. As discussed in the previous section, this creates challenges for both delivery bodies and funders in understanding the long-term value created by heritage investment.[312] There is therefore scope for more deliberate alignment. The Scottish Government have made clear that CWB is not a standalone programme but a 'whole-system approach' expected to influence procurement, funding, and economic development policy across public bodies.[313] For heritage projects, this might involve offering applicants clearer prompts about the social and economic potential of their projects, or developing light-touch tools to record impacts in areas such as skills, spend, and asset use. As the Cromarty case shows, the value is often there, even when it is not labelled as such.

This case study reinforces the argument that heritage should be seen not only as a cultural or environmental priority, but as an economic one. Securing the harbour's future protected local connectivity, supported tourism and trade, and enabled the Trust to continue operating as a community anchor. These are measurable contributions to inclusive economic development and align closely with the aims of community wealth

[309] External Interview, REF 8567, 17 April 2025.
[310] Ibid.
[311] *Keep it Local: How Local Government Can Plug Into the Power of Community*. London: Locality, 2018. https://locality.org.uk/assets/images/LOCALITY-KEEP-IT-LOCAL-ONLINE_revised-260318_full.pdf.
[312] Interview with HES Colleagues, REF 8568 & 8569, 10 April 2025.
[313] Scottish Government. *Building Community Wealth in Scotland: Consultation Paper*. Edinburgh: Scottish Government, p 3, 2023. https://www.gov.scot/publications/building-community-wealth-scotland-consultation-paper/.

building. With better guidance and monitoring, projects like this could offer even clearer evidence of what heritage investment delivers, and how that value is distributed.

*****

Cromarty Harbour shows how heritage projects can support local economic resilience and community wellbeing, even in the absence of formal CWB strategies. While procurement spend was not retained locally, the project safeguarded a vital community asset that continues to support local connectivity, visitor activity, and a broader sense of pride in place. The harbour's significance extends beyond function; it contributes to the town's identity and supports everyday civic life. The project also benefited from notably strong community backing, as recognised during the HES grants process. Letters of support, stakeholder engagement, and a clear delivery plan helped demonstrate both need and local ownership. This was central to the project's approval and reflects how community enthusiasm can be a meaningful indicator of long-term public value. At the same time, the case highlights constraints common to rural, volunteer-led delivery. Procurement was shaped by limited contractor availability, and skills elements proved difficult to realise. While the project aligned with CWB principles in practice, the absence of structured support or monitoring meant these outcomes were neither fully embedded nor formally captured. Cromarty demonstrates the potential of the historic environment to deliver local benefit, but also the fragility of that potential when delivery is left to small community bodies without tailored support.

Image 5 – Cromarty Harbour. (Photo courtesy of the Cromarty Harbour Trust)

Section 6: Insights Across HES

This chapter examines internal perspectives on CWB across HES. Based on interviews with staff working in fundraising, procurement, economics, and grant-making, it explores how efforts to support community wealth building are understood, negotiated, and put into practice across different parts of the organisation. Some insights attained from informal conversations with colleagues and members of external heritage organisations were also used.

Where previous chapters focused on specific projects, this section looks at the institutional settings in which decisions are made. It considers how policy aims translate into day-to-day practice, and how structural challenges influence what can realistically be delivered. The interviews reveal a shared awareness of the value that heritage projects can bring to local economies, but also point to recurring tensions between ambition and capacity, and between policy language and operational realities. This chapter draws out themes that cut across case studies and internal conversations, including the role of procurement in shaping who benefits from heritage investment, the kinds of employment that heritage projects tend to create, and the different ways in which 'community' is defined and engaged. These reflections provide a clearer picture of where opportunities lie to embed community wealth building more effectively, and where current systems may be holding that ambition back.

Procurement

Procurement emerged throughout the interviews as one of the most immediate levers for shaping how the historic environment supports local economies. In both Cromarty and Luing, procurement frameworks structured what was possible. In Cromarty, the community trust ran an open procurement process but received only two tenders, one of which proposed a significantly broader scope of works at a higher cost, making a comparative assessment nearly impossible. Although the trust complied with public procurement rules, the outcomes did not reflect the community's original ambition to engage local contractors or small firms familiar with the site and its context.[314] In Luing, similar pressures were evident. The trust led procurement for early-phase archaeological and environmental surveys, but the administrative burden proved heavy. Volunteers managing the process described the procurement paperwork, insurance, and compliance requirements as 'a lot to take on', especially given the trust's small size.[315]

Staff across HES consistently raised concerns about the practical limitations communities face when trying to benefit from local procurement. One staff member explained that, even where local contractors exist, 'they often don't have the setup to deal with the kind of compliance or risk we're asking for'.[316] This was echoed by colleagues working in fundraising and procurement, who noted that procedural

[314] External Interview, REF 8567, 17 April 2025.
[315] Interview with HES Colleague, REF 7568, 27 March 2025.
[316] Interview with HES Colleague, REF 5568, 17 April 2025.

complexity, insurance requirements, and regulatory expectations can discourage smaller firms or community partners from participating.[317] These dynamics were also visible in the case studies of Luing and Cromarty.

Whilst Scotland's procurement legislation explicitly permits the inclusion of social value, the way these criteria are implemented can limit their impact.[318] A procurement officer confirmed that while HES includes community benefit clauses in contracts above £50,000, these benefits are not always scored unless explicitly built into evaluation criteria. This limits their influence over supplier behaviour and outcomes.[319] In current practice, suppliers who offer a minimal community benefit may be awarded the same score as those who propose a much broader set of outcomes. This approach contrasts with institutions such as Strathclyde University or Manchester City Council, which have developed weighted scoring systems to reward more ambitious proposals. Manchester City Council, for instance, emphasise that they apply a 20% weighting to social value and that their "scoring differentiates between minimum compliance and high-impact proposals."[320] Similarly, the University of Strathclyde's Strategy notes that suppliers are assessed not just on whether they meet the community benefits requirement, but on the strength, scale, and feasibility of their offer.[321] A HES colleague also pointed out that weighting community benefits heavily in scoring can and has been seen as legally risky unless there is a clear methodology in place. HES is now developing a 'Community Benefits Wish List' to set clearer expectations for suppliers in future tenders.[322] Several staff emphasised the need for earlier support, clearer internal guidance, and more flexibility in how outcomes are assessed. There was interest in coordinating procurement across multiple projects, creating demand pipelines that allow local firms to plan ahead and scale up.[323] Others advocated for outcome-based models that shift the emphasis from price to lasting local impact, especially in smaller or rural settings where cost-efficiency often masks missed social value.

As a national heritage body with a long-term presence across multiple regions, HES functions as an anchor institution. This position carries significant strategic potential. Several interviewees noted that the organisation's role as a major commissioner of works gives it influence over supply chains, workforce expectations, and local economies.[324] In CWB frameworks, anchor institutions are expected not only to procure locally where possible, but also to shape markets by providing consistent

[317] Interview with HES Colleague, REF 5567, 14 April 2025.
[318] Interview with HES Colleague, REF 5570, 28 April 2025.
[319] Ibid.
[320] Manchester City Council, *Social Value and Ethical Procurement*, July 2024, p 4.https://democracy.manchester.gov.uk/documents/s48175/Social%20Value%20and%20Ethical%20Procurement%20July%2024%20Executive.pdf.
[321] University of Strathclyde, *Socio-Economic Impact and Community Benefits Strategy*, March 2018, p 2-3. https://www.strath.ac.uk/media/ps/purchasing/procurementmanual/Socio_Economic_Impact_and_Community_Benefits_Strategy_200318.pdf.
[322] Interview with HES Colleague, REF 5570, 28 April 2025.
[323] Interview with HES Colleague, REF 5568, 17 April 2025.
[324] Ibid.

demand, supporting skills development, and working collaboratively with partners.[325] While not all procurement can be fulfilled locally, staff highlighted opportunities to strengthen the link between HES's spending and local economic development. For example, coordinating procurement pipelines across multiple sites, engaging early with local suppliers, and building longer-term commissioning strategies were all seen as ways HES could use its position to create more predictable and accessible opportunities for communities and small firms.[326]

Employment

Heritage projects generate diverse forms of employment. Within HES, staff consistently emphasised that these roles are important, but frequently short-term, highly specialised, and not always accessible to local people. Several colleagues noted that much of the employment arising from heritage-led projects is subcontracted, with local impact depending heavily on procurement choices. When contracts are awarded to national firms or consultants, work may be delivered efficiently but with minimal local engagement. The type of work created is also shaped by the technical demands of heritage projects. Conservation and coastal engineering, for instance, require qualifications or experience that may be absent from local labour markets. 'The work tends to be skilled', one staff member explained, 'and often needs heritage credentials or insurance cover that smaller or local firms just don't have'.[327] This echoes the findings from the Luing and Cromarty case studies. Often, the historic environment requires specialist skills and specific heritage credentials, meaning that local employment is not possible. This is especially relevant in rural settings. A HES procurement colleague also emphasised that creating local employment through heritage contracts can be particularly difficult because of the technical demands involved. Specialist heritage roles, such as artefact conservation, traditional stonework, or slate quarrying, often require skills that are not available locally, especially in rural or island communities. While grounds maintenance and lower risk works can sometimes offer employment opportunities, major heritage procurement tends to favour highly accredited or insured contractors, limiting wider job creation even where local interest exists.[328]

Even though community benefit is recognised as valuable within the HES fundraising team, it is not always prioritised unless explicitly required by external funders. As one fundraising officer explained, 'we include employability or volunteer outcomes if it strengthens the bid, but we don't always build them in from the start'.[329] This approach reflects the need to be responsive to funder priorities, but it also reveals a gap in internal strategic planning. Without consistent internal expectations or frameworks for delivering employment outcomes, community wealth building goals risk becoming incidental to project delivery rather than integral to it. This sentiment was echoed in informal conversations with an employee from a heritage fund. They noted

[325] CLES (Centre for Local Economic Strategies), *Owning the Future: The Role of Anchor Institutions in Community Wealth Building*, 2020, https://cles.org.uk/publications/owning-the-future/.
[326] Interview with HES Colleague, REF 5570, 28 April 2025.
[327] Interview with HES Colleague, REF 5568, 17 April 2025.
[328] Interview with HES Colleague, REF 5570, 28 April 2025.
[329] Interview with HES Colleague, REF 5567, 14 April 2025.

that while local contractors and part-time project roles are sometimes supported, this is rarely driven by funding structures. Procurement is not routinely discussed, and the realisation of community benefit often depends on how individual consultants approach the work. In some cases, projects have engaged dozens of local suppliers, but this happens informally, not through embedded expectations.

There is also a wider skills gap affecting the sector. The 2019 Historic Environment Skills Investment Plan highlighted shortages in traditional crafts and conservation expertise across Scotland. This is a constraint which disproportionately affects rural and island areas. HES staff recognised this, with one officer commenting that 'we rely on a very small group of specialists, and that's a risk, not just for project delivery, but for sustaining the sector long-term'.[330] This section highlights a key disconnect. While the historic environment offers real opportunities to create local employment, the way heritage projects are procured and delivered often limits who benefits. External contractors, specialist requirements, and short-term project cycles shape the kinds of jobs that are created and where they are based.

Capacity

Interviews across HES also highlighted that many community-led heritage projects begin from a position of limited capacity. Staff described a recurring pattern whereby local groups, often comprised of volunteers, lack prior experience with procurement, project management, or the technical demands of heritage conservation. One officer noted that, while communities are highly motivated, 'they're often starting from scratch. It's a steep learning curve'.[331] Such capacity issues were seen within the Luing and Cromarty case studies. In Cromarty, while the trust successfully navigated the open procurement process, staff acknowledged that evaluating tenders proved challenging, particularly when bids proposed differing scopes of work.[332] In Luing, the administrative burden of managing early-phase procurement, insurance, and compliance was described by volunteers as overwhelming.[333]

Despite some shared issues across community groups, HES colleagues also noted that not all communities face the same barriers. One interviewee observed that 'some places have people who used to work in planning or procurement, retired professionals, ex-civil servants, and that makes a huge difference'.[334] An economic development officer similarly noted that communities with access to professional expertise are significantly better positioned to secure funding and manage complex projects.[335] In Cromarty, this advantage was evident: individuals with previous public sector experience played a key role in navigating procurement processes and grant applications. Where such embedded capacity exists, communities are better able to overcome administrative hurdles. Where it does not, groups often struggle to access the

[330] Interview with HES Colleague, REF 5568, 17 April 2025.
[331] Ibid.
[332] External Interview, REF 8567, 17 April 2025.
[333] External Interview, REF 7567, 4 April 2025.
[334] Interview with HES Colleague, REF 5568, 17 April 2025.
[335] Interview with HES Colleague, REF 5569, 22 April 2025.

same opportunities, regardless of local need or ambition. Given the ethos of CWB emerges from an ethos of 'democratising wealth', a system that rewards communities with naturally deeper capacity with grant success or support may reinforce inequalities that CWB is designed to tackle.[336]

The issue of uneven capacity also intersects with funding structures. Staff working in fundraising and grant administration pointed out that grant conditions rarely fund early-stage capacity building in a structured way. Instead, communities are often expected to commission consultants or manage procurement processes before they have the internal infrastructure to do so effectively.[337] Another HES colleague noted that HES itself faces internal capacity limitations when it comes to supporting community wealth building through procurement. Unlike some local authorities, which have dedicated staff responsible for social value delivery, HES currently manages community benefit expectations within existing procurement roles. This limits the organisation's ability to offer tailored support or proactively maximise local benefit across heritage projects.[338] This sentiment was echoed across several departments.

Across interviews, there was recognition that supporting community capacity more systematically would help to unlock greater local benefit from heritage projects. Staff pointed to the need for early-stage templates, model procurement briefs, and clearer guidance tailored to the realities of small trusts and rural contexts.[339] Capacity issues within HES, however, were also acknowledged as a barrier to providing these tools.

Strategic Clarity

A recurring theme across interviews was that knowledge of CWB is inconsistent across the heritage sector. While several HES staff acknowledged the concept of CWB, awareness of the different CWB pillars and their application differed greatly across departments. One colleague reflected that 'we don't really talk about it internally, it's more something you see in Scottish Government documents'.[340] Colleagues in fundraising noted that community benefits were often incorporated within projects when they aligned with the desires of the funder, but were not systematically embedded.[341] In other departments, the CWB agenda was seen as yet another policy document that is hard to implement. Knowledge about the pillars themselves - how many there are and what each one means - was also inconsistent across HES. A procurement colleague confirmed this internal variation, noting that procurement practices historically focused on including community benefit clauses without explicitly linking them to community wealth building goals. Only recently has there been a shift

[336] Preston City Council, The Preston Model: Community Wealth Building (2022), accessed February 17, 2025, p 390, https://www.preston.gov.uk/article/1339/What-is-Preston-Model-.
[337] Interview with HES Colleague, REF 5567, 14 April 2025.
[338] Interview with HES Colleague, REF 5570, 28 April 2025.
[339] Interview with HES Colleague, REF 5569, 22 April 2025.
[340] Interview with HES Colleague, REF 5568, 17 April 2025.
[341] Interview with HES Colleague, REF 5567, 14 April 2025.

toward more deliberately aligning procurement activity with wider CWB principles across HES projects.[342]

This lack of strategic clarity is also visible across the wider heritage sector. An economic development officer reflected that many community trusts already deliver local procurement and employment outcomes in practice, but often without consciously framing this work within a CWB model.[343] While this informal approach can generate positive results, the absence of systematic planning or evaluation means that opportunities to strengthen or sustain local benefits are often missed. Similarly, during an informal conversation a sector support organisation noted that, while their grants often support projects involving local contractors, there is no formal requirement or structured expectation around community wealth building outcomes. Members of the ILCT and Cromarty Harbour Trust suggested that the community-run nature of the projects mean that community benefits have been intrinsic. Both trusts pursued local benefits, but these actions were often pragmatic responses to project needs rather than parts of a defined community wealth building strategy. As one HES staff member reflected, it is not always enough to merely be community owned: 'It's not enough just to be community-owned, you need a plan for how you're actually going to deliver local benefits, otherwise ownership risks being symbolic'.[344] Thus, steps to build a shared understanding of CWB both within HES and across the heritage sector would benefit the policy's application.

Defining 'Community'

Interviewees also revealed difficulties in defining 'community'. HES staff reflected that, while community engagement is widely valued, the meaning of 'community' often shifts depending on the project context. One officer noted that 'sometimes it's about local residents, sometimes it's about people with a connection to the building, it's not always clear which we're prioritising'.[345] In some cases, community is understood primarily as a community of place: those living in the immediate geographic area. This framing aligns with public funding requirements such as the Scottish Land Fund, which explicitly prioritises place-based community ownership.[346] Interviews with HES staff reflected that distinguishing between different forms of community is not always straightforward in practice, particularly when projects involve nationally significant heritage or diaspora connections.[347]

Even on Luing, a remote island with an easier-to-define community, interviewees noted that establishing who the community were and who the project should benefit was difficult.[348] Second homeowners on the island, for instance, were put off by the thought of heavy machinery impacting the tranquillity of their holidays. A similar issue

[342] Interview with HES Colleague, REF 5570, 28 April 2025.
[343] Interview with HES Colleague, REF 5569, 22 April 2025.
[344] Ibid.
[345] Interview with HES Colleague, REF 5568, 17 April 2025.
[346] Scottish Land Fund, *Guidance Notes for Applicants*, 2023.
[347] Interview with HES Colleague, REF 5568, 17 April 2025.
[348] External Interview, REF 7567, 4 April 2025.

with second homeowners and their part in 'the community' was acknowledged by a member of the Cromarty Harbour Trust, but the interview revealed that the skill base of the second homeowners meant that the Trust gained more capacity and found things like grant applications more manageable. The Cromarty case study thus reveals the potential utility of second homeowners. However, their perceived legitimacy as part of the 'community' was also alluded to in several other interviews, where instead it acted as a potential source of tension.

A HES colleague also highlighted that definitions of community vary depending on the scale of procurement. In low-value procurements under £50,000, there is more flexibility to engage local suppliers directly, often aligning with a community of place approach. In larger national tenders, however, identifying and targeting specific communities becomes more complex, and procurement often defaults to larger contractors concentrated in urban centres.[349] The lack of a consistent definition of community has practical consequences for heritage project delivery. HES staff reflected that project aims can become diluted when it is unclear who the primary community is, making it harder to design procurement and employment strategies that genuinely prioritise local benefit. One officer commented that 'if you don't define it early, you end up trying to be everything to everyone. And no one really benefits'.[350]

The findings across this chapter, alongside insights from the earlier case studies, underline how the historic environment can influence local procurement and employment practices, while also highlighting the structural, procedural, and conceptual barriers that constrain outcomes. While opportunities for embedding community wealth building exist, they are often limited by capacity challenges, risk-averse procurement practices, and a lack of strategic clarity. Together, these findings will inform the final chapter's recommendations, which will set out practical ways to strengthen the role of procurement, employment, and community engagement in supporting local economic development through heritage conservation.

[349] Interview with HES Colleague, REF 5570, April 28, 2025.
[350] Ibid.

Section 7: Opportunities and Recommendations

This research identified a series of opportunities to more effectively embed CWB within heritage-led regeneration, drawing on internal insights from HES and findings from the case studies.

Enhancing Procurement Impact

Procurement emerged as one of the clearest levers for embedding local benefit. While existing HES procurement processes allow for community benefit clauses, interviews revealed that these are not always meaningfully weighted or consistently applied. Staff highlighted the importance of clearer internal guidance on how social value is assessed in tenders, and the development of tools such as a 'Community Benefits Wish List' to communicate expectations to suppliers. The development of a Community Benefits Wish List by HES represents a promising step toward standardising expectations across tenders and enabling better alignment between project aims and procurement outcomes. HES staff have also pointed out that a Wishlist would allow communities to shape the benefits delivered through procurement. Interviewees also suggested that such tools could be built into supplier briefings and contract monitoring frameworks to increase impact. More structured early engagement with local businesses, particularly in rural areas, was also widely seen as necessary to broaden access to procurement opportunities.

Building Community Capacity

A recurring theme was the limited capacity of community groups undertaking heritage projects. Many began with little or no experience in procurement, planning, or managing technical conservation work. Interviewees pointed to the need for early-stage templates, model briefs, and project coordination support, as well as pre-feasibility funding to develop viable project plans. These interventions were seen as crucial in allowing smaller or volunteer-led groups to participate fully and equitably in heritage investment.

Strengthening Strategic Clarity

While CWB features in national policy and internal strategy documents, understanding of its practical application was found to be inconsistent across HES. Staff reported varied levels of familiarity with the five pillars, and some viewed the agenda as externally driven or abstract. Greater internal clarity and integration of CWB into business planning, grant-making, and procurement processes would support staff in pursuing community wealth outcomes more systematically. This could also reinforce alignment between HES's strategic goals and its operational practices.

Clarifying Definitions of Community

Unclear or shifting definitions of 'community' were noted as a challenge in both HES processes and project delivery. While many funders prioritise communities of place, heritage projects often involve communities of interest or overlapping constituencies. This ambiguity can result in unfocused project aims and confusion over who should benefit. Staff emphasised the value of requiring applicants to define their intended community of benefit clearly from the outset, allowing for more targeted engagement and better-aligned procurement and employment outcomes.

Maximising Employment Outcomes

Although heritage projects can generate employment, these opportunities are often time limited, specialised, and require specific technical expertise. In remote or rural contexts, this limits the extent to which residents can benefit from heritage procurement. Interviewees suggested that HES could play a stronger role in linking heritage investment with skills development by supporting apprenticeships, training programmes, or strategic partnerships to grow the local workforce. HES could also do more to consider how these initiatives support longer-term investment in people and skills. Such efforts would allow employment benefits to extend beyond the life of individual projects.

Leveraging HES's Role as an Anchor Institution

As a national heritage body with long-term regional presence, HES has considerable potential to act as an anchor institution. Staff recognised the value of longer-term commissioning strategies and more predictable procurement pipelines in supporting local business development. Coordinating procurement across multiple projects or working with other public bodies to generate sustained demand for heritage services could help build viable markets and strengthen regional supply chains. This is particularly relevant in smaller or more remote communities, where access to opportunities is more limited. This also reflects national procurement priorities outlined by the Scottish Government, particularly supplier engagement, coordinated planning, and transparent spend reporting as key levers for public value delivery.[351]

*****

In summary, while structural constraints remain, the research points to a wide range of practical opportunities for strengthening CWB within heritage delivery. Across HES and the sector more broadly, there is clear appetite to ensure heritage investment delivers tangible local benefit. With the right internal frameworks, capacity support, and strategic alignment, HES is well placed to provide the necessary leadership.

[351] Scottish Government, *Annual Report on Procurement Activity in Scotland 2022 to 2023* (Edinburgh: Scottish Government, 2023), 3–5, https://www.gov.scot/publications/annual-report-procurement-activity-scotland-2022-2023/.

Section 8: Bibliography

Primary Interviews

Interview with Community Trust Member, reference code 8567, April 17, 2025.

Interview with Historic Environment Scotland Grants Team, reference code 8568, April 10, 2025.

Interview with Historic Environment Scotland Grants Team, reference code 8569, April 10, 2025.

Interview with Community Trust Member, reference code 7567, April 4, 2025.

Interview, Historic Environment Scotland, reference code 7568, March 27, 2025.

Interview with Historic Environment Scotland Fundraising Officer, reference code 5567, April 14, 2025.

Interview with Economist, Historic Environment Scotland, reference code 5568, April 17, 2025.

Interview with Economic Development Officer, Historic Environment Scotland, reference code 5569, April 22, 2025.

Interview with Procurement Officer, Historic Environment Scotland, reference code 5570, April 28, 2025.

Secondary reading

Alexandrakis, George, Constantine Manasakis, and Nikolaos A. Kampanis. "Economic and Societal Impacts on Cultural Heritage Sites, Resulting from Natural Effects and Climate Change." *Heritage* 2, no. 1 (January 23, 2019): 279–305. https://doi.org/10.3390/heritage2010019.

Apaydin, Veysel. "Critical Community Engagement in Heritage Studies." In *Encyclopedia of Global Archaeology*, 2018, 1–7. https://doi.org/10.1007/978-3-319-51726-1_3348-1.

Argyll and Bute Council. *Community Wealth Building in Argyll and Bute Report*. Argyll and Bute Council, 2023. https://www.argyll-bute.gov.uk/moderngov/documents/s206441/Appendix%201%20Argyll%20and%20Bute%20Report%20Final.pdf.

Austrian, Ziona, Kathryn W. Hexter, Candi Clouse, and Matt Hrubey. "Living Cities: The Integration Initiative in Cleveland, Ohio—Greater University Circle Community Wealth Building Initiative: Year One Formative and Summative Evaluation Report." 2011.

Bushell, Natalie. "The Rise and Demise of Scotland's Historic Slate Industry." *Engine Shed Blog*, April 17, 2020. https://blog.engineshed.scot/2020/04/17/scottish-slate-industry/.

Campsie, Alison. "Industry Set to Return to Tiny Scottish Island After 60 Years." *The Scotsman*, August 14, 2024. https://www.scotsman.com/heritage-and-retro/heritage/industry-set-to-return-to-tiny-scottish-island-after-60-years-4740990.

Centre for Local Economic Strategies (CLES). *Owning the Future: The Role of Anchor Institutions in Community Wealth Building*. 2020. https://cles.org.uk/publications/owning-the-future/.

Democracy Collaborative. *The Cleveland Model: How the Evergreen Cooperatives Are Building Community Wealth*. 2019.

Dennis, Jamie, and Liam Stanley. "The De-Globalisation of Capital? The Political Economy of Community Wealth Building." *New Political Economy* (January 5, 2023): 1–16. https://doi.org/10.1080/13563467.2022.2159353.

Direct Slating Supplies Ltd. "About Us." Accessed April 2025. https://www.directslatingsupplies.co.uk/about.html.

Dowin Kennedy, Elena. "Creating Community: The Process of Entrepreneurial Community Building for Civic Wealth Creation." *Entrepreneurship & Regional Development* (August 17, 2021): 1–21. https://doi.org/10.1080/08985626.2021.1964612.

Fabbricatti, K., L. Boissenin, and M. Citoni. "Heritage Community Resilience: Towards New Approaches for Urban Resilience and Sustainability." *City, Territory and Architecture* 7, no. 17 (2020). https://doi.org/10.1186/s40410-020-00126-7.

Findlay, Patricia. "Calm Seas or Choppy Waters? The Role of Procurement in Supporting Fair Work." *Fraser of Allander Institute Economic Commentary*, March 2017. https://www.strath.ac.uk/business/economics/fraserofallanderinstitute/publications.

Gordon Nembhard, Jessica. "Community-Based Asset Building and Community Wealth." *The Review of Black Political Economy* 41, no. 2 (January 2014): 101–17. https://doi.org/10.1007/s12114-014-9184-z.

Historic Environment Scotland. *Heritage and Place Programme Guidance*. Edinburgh: Historic Environment Scotland, 2022.

Historic Environment Scotland. *Our Past, Our Future: The Strategy for Scotland's Historic Environment 2023–2028*. Edinburgh: Historic Environment Scotland, 2023. https://www.historicenvironment.scot/archives-and-research/publications/publication/?publicationId=cab98df6-8ffc-4c7b-8f03-b1db0091d7e0.

Living Wage Scotland. "Workers Set for Pay Boost as Real Living Wage Increases to £12.60." October 23, 2024. https://scottishlivingwage.org/workers-set-for-pay-boost-as-real-living-wage-increases-to-12-60/.

Manchester City Council. *Social Value and Ethical Procurement*, July 2024. https://democracy.manchester.gov.uk/documents/s48175/Social%20Value%20and%20Ethical%20Procurement%20July%2024%20Executive.pdf.

Miller, Molly. "From Closure to Commons: Exploring the Development of Community Resilience Through Collective Buyouts of Former Churches in Scotland." *Scottish Affairs* 34, no. 1 (2025): 104–126.

National Trust for Scotland. "Restoring Culzean's Glasshouses." Accessed March 2025. https://www.nts.org.uk/stories/restoring-culzeans-glasshouses.

National Trust for Scotland. "Honing Skills for the Future." May 15, 2019. https://www.nts.org.uk/stories/honing-skills-for-the-future.

National Trust for Scotland. *Privacy Policy for Suppliers*. Accessed March 2025. https://www.nts.org.uk/privacy-data-protection/privacy-policy-for-suppliers.

O'Neill, Jack. *The Case for Community Wealth Building*. S.L.: Polity Press, 2019.

Preston City Council. *The Preston Model: Community Wealth Building*. 2022. https://www.preston.gov.uk/article/1339/What-is-Preston-Model-.

Prinos, Ioannis. "Community Wealth Building in Preston: Successes and Challenges of Co-Operation in Action." In *Bristol University Press eBooks*, October 27, 2023, 198–215. https://doi.org/10.51952/9781529226430.ch011.

Renfrewshire Council. *Community Benefits Strategy*. Renfrewshire: Renfrewshire Council, 2014. https://www.renfrewshire.hscp.scot/media/5481/Community-Benefits-Strategy/pdf/fcs-Community_Benefits_Strategy.pdf.

Ross-shire Journal. "From Viking Raids to the Present Day, Cromarty Harbour Has a Rich Story to Tell." April 30, 2020. https://www.ross-shirejournal.co.uk/news/from-viking-raids-to-present-day-cromarty-harbour-has-a-rich-story-to-tell-196349/.

Royal Navy Archives. "Cromarty Naval Base History." Accessed April 2025.

Sacchetti, Silvia, Colin Campbell, and Richard Simmons. "Community Benefit Clauses in Public Procurement: Considerations on the Role of Partnerships in Scotland." 2012.

Scottish Government. *Annual Report on Procurement Activity in Scotland 2021–2022*. Edinburgh: Scottish Government, 2022. https://www.gov.scot/publications/annual-report-procurement-activity-scotland-2021-2022/pages/4/.

Scottish Government. *Annual Report on Procurement Activity in Scotland 2022–2023*. Edinburgh: Scottish Government, 2025. https://www.gov.scot/publications/annual-report-procurement-activity-scotland-overview-procurement-activity-2022-2023/.

Scottish Government. *Building Community Wealth in Scotland: Consultation Analysis*. Edinburgh: Scottish Government, 2023.

Scottish Government. *Building Community Wealth in Scotland: Consultation Paper*. Edinburgh: Scottish Government, 2023. https://www.gov.scot/publications/building-community-wealth-scotland-consultation-paper/pages/5/.

Scottish Government. *Community Wealth Building (Scotland) Bill*. https://www.parliament.scot/bills-and-laws/bills/community-wealth-building-scotland-bill.

Scottish Government. *National Strategy for Economic Transformation*. Edinburgh: Scottish Government, 2022. https://www.gov.scot/publications/national-strategy-for-economic-transformation/.

Scottish Government. *Public Procurement Strategy for Scotland 2023–2028*. Edinburgh: Scottish Government, 2023. https://www.gov.scot/publications/public-procurement-strategy-scotland-2023-2028/.

Scottish Land Commission. *Community Wealth Building and Land Guidance*. Edinburgh: Scottish Land Commission, 2022. https://www.landcommission.gov.scot/downloads/623c19fcb8c2d_Scottish%20Land%20Commission%20Community%20Wealth%20Building%20and%20Land%20Guidance.pdf.

Scottish Parliamentary Corporate Body. *Corporate Procurement Strategy (1st April 2020–31 March 2024)*. Edinburgh: Scottish Parliament, 2020. https://www.parliament.scot/abouttheparliament/65713.aspx.

Thai, Khi V. "Public Procurement Re-Examined." *Journal of Public Procurement* 1, no. 1 (2001): 9–50.

The Stove Network. *A Creative Placemaking Approach: Culture and Creativity as a Tool in Community Wealth Building and Community-Led Place Development*. Dumfries: The Stove Network, 2024.

University of Strathclyde. *Socio-Economic Impact and Community Benefits Strategy*. March 2018. https://www.strath.ac.uk/media/ps/purchasing/procurementmanual/Socio_Economic_Impact_and_Community_Benefits_Strategy_200318.pdf.

UNESCO. *The Social Benefits of Heritage Conservation*. Paris: UNESCO, 2010. https://unesdoc.unesco.org/ark:/48223/pf0000216604.

Webster, Anthony, et al. "Local Regeneration and Community Wealth Building—Place Making: Co-Operatives as Agents of Change." *Journal of Place Management and Development* 14, no. 4 (February 1, 2021): 446–461. https://doi.org/10.1108/jpmd-01-2020-0009.

Withall, Mary. *Slate Islands: The Islands That Roofed the World*. Oban: Argyll Publishing, 2001.

Wake, Tamsin, and Kim Pratt. "Communities and Transition Mineral Mining in Scotland." Friends of the Earth Scotland, January 2025. https://foe.scot/wp-content/uploads/2025/01/Communities-and-transition-mineral-mining-in-Scotland-5.pdf.

Historic Environment Scotland is the lead public body established to investigate, care for and promote Scotland's historic environment.

We are committed to ensuring this publication is accessible to everyone. If you need it supplied in a different format or language including Gaelic, please get in touch.

HISTORIC ENVIRONMENT SCOTLAND | ÀRAINNEACHD EACHDRAIDHEIL ALBA

Historic Environment Scotland
Longmore House
Salisbury Place
Edinburgh
EH9 1SH

0131 668 8600

historicenvironment.scot