

# THE POLICY OF PLACE

Strengthening Communities of Place



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## Executive Summary

- An important theme for the Jimmy Reid Foundation in recent years has been community. There are many types of communities, and all are important. However, there is a risk that we forget the importance of place. A community of people who are bound together because they reside, work, visit, or otherwise spend a continuous portion of their time in the same place. This paper examines the current state of communities of place in Scotland, why they matter, and what is needed to strengthen them.
- We explain that despite our digitally connected age, communities of place still matter. Social networks of family and friends are crucial, and links to wider networks are also important for health and wellbeing. The Scottish Government calls this ‘social capital’. This requires local services, or ‘social infrastructure’. When social infrastructure is robust, it fosters contact, mutual support, and collaboration among friends and neighbours. When degraded, it inhibits social activity, leaving families and individuals to fend for themselves. This is anchored in local democracy and in the shared action that is possible when communities campaign together.
- Community also matters for the local economy. To function properly, a healthy, supportive community is needed, rooted in Community Wealth Building rather than reliance on global corporations.
- We highlight the challenges faced by communities of place, including the long-term degradation of our social infrastructure by cuts to local government funding and the centralisation of services. While Scotland as a whole faces deep-seated inequality, those living in the most deprived parts of the country are four times more likely to die early. Because Scotland’s councils are so large, this can mask real communities of place with high levels of inequality. Although the incidence of poverty is higher in urban areas, there are still pockets of high inequality in rural areas.
- Despite promises of devolution, Scotland has some of the largest local government units in the world, and 67% of Scots report having little or no influence over decisions affecting their local community.
- Finally, we set out a new approach to communities of place, grounded in global research on what works. These include:
  - Strengthening social infrastructure to offer opportunities for connection, belonging, and shared experiences.
  - Create a good neighbourhood design and maintain physical spaces.
  - Develop accessible ways for local people to share information.
  - Challenging the culture wars exploited by the far-right.
  - Decentralise power to communities to involve more people in the governance of our lives, and reform local government finance to fairly fund local services.
  - An education system that builds capabilities and expectations of civic participation.
  - Incentivise the private sector to direct its social and net-zero strategies towards transformational outcomes for vulnerable communities.
- This approach recognises the value of communities of place and the practical measures needed to rebuild them. It recognises the value of social infrastructure and public services, devolving power, and building the local economy through Community Wealth Building. We also need to better understand the practical measures that help build stronger communities, including neighbourhood design, high-quality public spaces, local events, and improved information sharing. Most importantly, we need to provide residents with greater opportunities to influence decisions affecting their neighbourhoods and to encourage engagement.

## 1. Introduction

The Jimmy Reid Foundation has published several papers over the past decade that make the case for building stronger communities. In July 2020, the Jimmy Reid Foundation published the paper *Building Stronger Communities*.<sup>1</sup> In a post-pandemic context, that paper made the case for a comprehensive programme to rebuild communities as the building block of a more equal, democratic, healthier and sustainable society. We followed up in 2024 with the paper, *Building the Local Economy*.<sup>2</sup> In that paper, we argued that the local economy is not simply a cold economic calculation based on population, employment and productivity. To function, a healthy, supportive community is needed. That requires investment in social infrastructure that binds communities together, including adequate housing, health care, education, transport, and a cleaner, safer environment.

There are different types of communities. For example, the Christie Commission considered communities of interest and place, groups sharing common needs (health, disability, identity) or local geography (place-based).<sup>3</sup> A community of interest is a group of people sharing common goals, experiences, or concerns, connecting through a topic rather than geography. Its members participate in the community to exchange information, obtain answers to personal questions or problems, improve their understanding of a subject, share common passions, or play. These can develop into a community of action or a community of purpose, in which people on a similar journey can effect change. A community of practice can form around members' shared interests or a domain of knowledge. All of these communities have grown and been strengthened by access to the internet, which enables regional, national, and even international connections.

All of these communities are important. They give a sense of belonging, allowing people with shared interests to come together. However, there is a risk that we forget about the importance of place. A community of people who are bound together because of where they reside, work, visit or otherwise spend a continuous portion of their time. People of a place are usually influenced by, or at least conscious of, the forces a place exerts on its people. Every place will exhibit its own unique and independent force of influence that consequently generates social life. This may not always be a positive development. Communities of place can be exclusionary, discriminatory, or, at the very least, parochial. But they can also foster solidarity and participation and allow people to communicate, experience, and learn from one another.

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<sup>1</sup> D. Watson, *Building Stronger Communities*, (Reid Foundation, 2020), <https://reidfoundation.scot/2020/08/building-stronger-communities/>

<sup>2</sup> D. Watson, *Building the Local Economy*, (Reid Foundation, 2024), <https://reidfoundation.scot/2024/08/building-the-local-economy/>

<sup>3</sup> Scottish Government, *Report on the future delivery of public services*, (June 2011), <https://www.gov.scot/publications/commission-future-delivery-public-services/pages/6/>

This paper addresses the issue of communities of place. We recognise that not all communities of place are perfect, but we ignore and devalue them at our peril. The phrase ‘it takes a village to raise a child’ originates from an African proverb and conveys the message that it takes many people (‘the village’) to provide a safe, healthy environment for children, where children are given the security they need to develop and flourish, and to be able to realise their hopes and dreams.<sup>4</sup> However, ‘the village’, in many parts of Scotland and worldwide today, is dissipated and fragmented, and individuals are increasingly isolated and are not eager to ask for, or provide help to, others. Synergy is important in communities, which means that families, schools, community groups, and agencies working together can achieve more than any of them could alone. Place has served as the basis for social movements, protests, and the formation of trade unions. The Tolpuddle Martyrs and the Calton Weavers are just two examples from history. More recently, the Kenmure Street protest showed how communities can rally around in this way. Shared experiences and loyalty help build that solidarity.

There has been an extensive sociological discourse on community for centuries, arguably going back to Confucius. It takes its classic form in Ferdinand Toessies’s essay *Gemeinschaft und Gesellschaft* (community and society).<sup>5</sup> It is not the purpose of this paper to examine theoretical concepts, but rather to focus on examining the state of communities of place in Scotland today, why they matter, and what we need to do to strengthen them.

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<sup>4</sup> A, Reupert and others, It Takes a Village to Raise a Child: Understanding and Expanding the Concept of the “Village”, (Frontiers in Public Health, 2022), <https://pmc.ncbi.nlm.nih.gov/articles/PMC8964422/#:~:text=The%20phrase%20%22it%20takes%20a,to%20realize%20their%20hopes%20and>

<sup>5</sup> S. Brint, *Gemeinschaft Revisited: A Critique and Reconstruction of the Community Concept*, (Sociological Theory, 19, American Sociological Association), pp. 1–23, <https://www.asanet.org/wp-content/uploads/savvy/images/members/docs/pdf/featured/soth125.pdf>

## 2. Why Communities of Place Matter

We began with a description of what communities of place are intended to achieve, but why, in an internet-age society, do communities of place still matter? Surely, we can live online and connect with people who share our interests, without the difficult chore of physically meeting others who may not share our values. We can order goods, if not all services, from across the world, so why do we need to worry about the shops in our high street? We can download books, games, and information, and post reviews; why do we need a library, a games club, or a reading group?

While all of these opportunities are valuable, we would argue that they cannot replace the benefits of communities of place. In short, communities of place matter because they connect people to each other and to their environment, supporting trust, identity, resilience, and effective collective action. Even in an increasingly digital world, these place-based ties remain foundational to stable and healthy societies.

Let's examine these interconnected issues in more detail:

### Wellbeing and belonging

Social connections provide pleasure, increase life expectancy, and help people cope with hardship, offering vital support and a sense of identity. Research undertaken by the Glasgow Centre for Population and Health has highlighted how social networks of family and friends are crucial, and links to wider networks are also important for health.<sup>6</sup> They also build community cohesion, which can safeguard services and help respond to shocks. The development of community responses during the COVID pandemic is a good example of this and should be recognised as part of our critical national infrastructure.<sup>7</sup> Stronger networks generally create stronger communities.



Source: Frontier Economics; six capitals framework from Levelling Up the United Kingdom, HM Government (2022)

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<sup>6</sup> S. Dodds, *Social Contexts and Health*, (GCPH, Feb. 2016),

[https://www.gcph.co.uk/assets/000/000/352/Social\\_contexts\\_and\\_health\\_\\_web\\_\\_original.pdf?1700036404](https://www.gcph.co.uk/assets/000/000/352/Social_contexts_and_health__web__original.pdf?1700036404)

<sup>7</sup> H. Goulden, *Community, not catastrophe*, (Young Foundation, April 2025), <https://www.youngfoundation.org/our-work/publications/community-not-catastrophe/>

The Scottish Government has adopted the concept of social capital as their starting point: ‘Social capital is the outcome from human connections, relationships and interactions, that helps to maintain wellbeing for citizens now and in the future.’<sup>8</sup> They argue that the availability of supportive networks, community cohesion, and social participation to improve the places where communities live, learn, work, and engage in a full range of activities, and diverse communities, in which people engage throughout their lives. In a practical sense, the Place Standard Tool was developed in collaboration with NHS Health Scotland and provides a framework for place-based conversations to support communities, the public, private, and third sectors in working together to deliver high-quality, sustainable places.<sup>9</sup>

There is evidence of significant associations between higher social capital and lower mortality. A social capital question set was used in a three-city survey undertaken by the GCPH to investigate the role of social capital as an explanatory factor for Glasgow’s ‘excess’ mortality (the Glasgow effect). It found Glasgow did have differences, with significantly lower levels of trust, social participation, and reciprocity. They concluded that it was plausible that there were differences in some aspects of social capital between Glasgow and the two English cities, which could potentially impact levels of health and well-being in the population.<sup>10</sup>

Social media is often at the centre of conversations about what’s driving poor mental health among young people. While our increasingly digital lives are part of the story, the bigger picture is more complex. Young people are arguably spending more time online, partly because the real world offers them less and less. This has been described as ‘social thinning’, and includes fewer opportunities to play, take risks and build supportive relationships.<sup>11</sup>

Research by the Young Foundation and others shows that while few of us want an open-door policy, we appreciate the importance of weak ties in the community: familiar faces on the street and in local shops, people we recognise at the school gate, a park we feel safe in, which helps to increase our sense of security and belonging and build trust. This kind of informal neighbourhood interaction makes a difference by providing local news, access to informal support, and creating connections between people from different backgrounds, thereby helping to break down barriers. More than two million adults in the UK suffer from chronic loneliness, across all age groups, although older people often also

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<sup>8</sup> Scottish Government, *Social capital and community wellbeing in Scotland*, (October 2024), <https://www.gov.scot/publications/social-capital-community-wellbeing-scotland/pages/2/>

<sup>9</sup> Public Health Scotland, *Place Standard Tool*, <https://publichealthscotland.scot/population-health/environmental-health-impacts/place-standard-tool-pst/application-of-the-tool/>

<sup>10</sup> S. Dodds, *Social Contexts and Health*, (GCPH, Feb. 2016), p. 9. [https://www.gcph.co.uk/assets/000/000/352/Social\\_contexts\\_and\\_health\\_\\_web\\_\\_original.pdf?1700036404](https://www.gcph.co.uk/assets/000/000/352/Social_contexts_and_health__web__original.pdf?1700036404)

<sup>11</sup> E. McCrory & R. Chokhani, *Young people’s social worlds are ‘thinning’ – here’s how that’s affecting wellbeing*, (The Conversation, Dec. 2025), <https://theconversation.com/young-peoples-social-worlds-are-thinning-heres-how-thats-affecting-wellbeing-272111>

feel socially isolated. Changes in the workplace, declines in church attendance, and the closure of social spaces like pubs and clubs have all contributed to this condition.

### **Empowerment & Voice**

The Scottish Government's adoption of social capital encompasses the extent of power people have and feel they have over their circumstances; their influence on local decision-making; and their actions to address local issues. Scotland has some of the largest councils in the world, with an average population of 170,000, compared with a European average of 10,000. Scotland also has the smallest cohort of councillors in Europe. England has an average of 2,814 people per councillor, Norway 572 and Denmark 2,216; but the average Scottish councillor looks after 4,155 constituents.<sup>12</sup> Important though local elections are, local democracy encompasses a wider engagement by people in the decisions that matter to their communities. As Fernando Cardoso puts it: 'Democracy is not just a question of having a vote. It consists of strengthening each citizen's possibility and capacity to participate in the deliberations involved in life in society.'

There have been many initiatives to strengthen local democracy in Scotland. The Christie Commission in 2011 set out the principles. Since then, we have had parliamentary inquiries, legislation such as the Community Empowerment Act 2015, a review of community councils and the Local Governance Review. They all start from the premise that people want to be more engaged but generally don't feel part of the decision-making process. The problem with many of the tools used to promote engagement is that they are often skewed in favour of higher-income groups with formal education. What we might call the inequalities of power and influence.

### **Better Public Services**

Community-led initiatives improve service delivery by focusing on local needs, leading to more responsive and effective outcomes. Our 2020 paper championed the concept of *social infrastructure*. Social infrastructure relates to the physical conditions that determine whether personal relationships can flourish. When social infrastructure is robust, it fosters contact, mutual support, and collaboration among friends and neighbours. When degraded, it inhibits social activity, leaving families and individuals to fend for themselves. We examined a wide range of initiatives that can strengthen social infrastructure, including adequate housing, libraries, leisure facilities, voluntary organisations, community ownership, and the role of planning.

### **Resilience & Capacity**

Communities build skills, share resources, and create local solutions to shared challenges, making places more vibrant and self-sufficient. The community response to the pandemic saw a growth in what is sometimes called 'Groupsourcing'. This is where groups on social networks are created by users themselves around user needs, rather than being coordinated centrally. Grassroots initiatives

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<sup>12</sup> Building a Local Scotland, *Background briefing*, 2024, <https://buildlocal.scot/background-briefing/>

do vital work, raising awareness and taking action. Run largely by volunteers, they fill important gaps left by the public and private sectors, addressing specific local concerns, empowering individuals and enabling community voices to be heard. Local authorities can and should play in mobilising and coordinating community volunteering, as they often did during the pandemic.

Greater community ownership can enhance local capacity. Part 5 of the Community Empowerment Act also introduces a right for community bodies to submit requests to all local authorities, the Scottish Ministers, and a range of public bodies for any land or buildings they believe could be used more effectively. The latest Scottish Government report identifies 853 assets in community ownership in Scotland, an increase of 23 (3%) from 830 in 2023. These are owned by 503 groups.<sup>13</sup> Another idea is to create a *Right to Space* to ensure communities have places to meet and funding to build the capacity to participate as active citizens. Giving more power to communities will help create a more preventative approach that tackles problems at the source rather than merely managing them once they've happened.

The Land Reform (Scotland) Act 2025 gives community bodies the opportunity to be informed about certain sales and more time to register an interest in buying land, and in certain cases, ownership of a large landholding must be transferred in smaller 'lots', rather than as a whole, if it may make a community more sustainable.<sup>14</sup> While this is a welcome improvement, it did not go as far as we and others wanted. In *Land Reform for the Common Good*, we argued that 'Scotland's land politics urgently needs to rediscover and reassert its radical edge to make land work for the common good, not the private interests of a privileged few.'<sup>15</sup> Land ownership in Scotland remains highly concentrated, including the rise of Mega-lairds, mainly focused on capital accumulation, with land ownership as part of an investable portfolio rather than on the long-term outcomes for people and nature.

### **Economic Benefits**

Strong social capital can reduce pressure on hospitals, improve health (especially mental health), create employment, and regenerate deprived areas. In *Building the Local Economy*, we were critical of the measures taken by all governments— City Deals, levelling up, town centre action plans, etc. They are all piecemeal initiatives and not consistently applied. They lack the broader perspective of

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<sup>13</sup> Scottish Government, *Community Ownership in Scotland 2024*, (25 November 2025), <https://www.gov.scot/publications/community-ownership-in-scotland-2024/>

<sup>14</sup> Scottish Parliament, *Land Reform (Scotland) Bill*, <https://www.parliament.scot/bills-and-laws/bills/s6/land-reform-scotland-bill>

<sup>15</sup> C. MacLeod, *Land Reform for the Common Good*, (Jimmy Reid Foundation, July 2023), <https://reidfoundation.scot/2023/07/land-reform/>

what makes communities work and don't provide long-term, consistent funding. All the while, core council funding is cut.<sup>16</sup>

That paper argues that governments and councils focus too narrowly on retail operations when developing policies for the local economy. While retail does need action on planning, funding and taxation, the problems predate online shopping with global corporations capturing the high street. Governments must recognise that the local economy is embedded in the broader community context. The local economy is not simply a cold economic calculation based on population, employment and productivity. To function, a healthy, supportive community is needed. That requires investment in social infrastructure that binds communities together, including adequate housing, health care, education, transport, and a cleaner, safer environment.

### Shared Identity & Action

Communities of place can also form around shared interests, places, or experiences, uniting people to collaborate on innovation, culture, and positive change. It can be the shared tool library, the community solar panel or wind farm project - practical rituals that become the language of the community. It is also reflected in community campaigns to protect and improve local services. Examples include the *Save Aberdeen Libraries* campaign, reflected in similar campaigns across Scotland, and the national *Love Libraries* campaign.<sup>17</sup> Another approach is exemplified by the Electoral Reform Society's work on the Dunfermline New City Assembly. The aim is to have lots of different kinds of people from the community. Together, they examine key issues, share their ideas, and propose how Dunfermline should grow and change. These ideas are then taken to the council to help shape the city in the years ahead.

*“We know that it is easy to feel powerless, and that things often happen to us, rather than with us. We know that there are lots of pressures on our daily lives. But it is also true that when we make our voices heard, we can change things for the better. This project is a chance to reconnect people with power. It is about fostering the knowledge of our communities so that they can be involved in making decisions about the place we are proud to call home.”*

The Scottish Household Survey (SHS) consistently shows that the vast majority of adults in Scotland have a positive view of their neighbourhood, with 94-95% rating it as a 'very' or 'fairly good' place to live. However, there are differences in neighbourhood ratings between Local Authorities, between urban and rural settings and by levels of deprivation in an area. There are also inequalities for different subgroups of the population, such as for disabled people, by ethnicity, age and gender.<sup>18</sup>

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<sup>16</sup> D. Watson, *Building the Local Economy*, (Jimmy Reid Foundation, 2024), <https://reidfoundation.scot/2024/08/building-the-local-economy/>

<sup>17</sup> Love Libraries, <https://scottishlibraries.org/love-libraries/>

<sup>18</sup> Scottish Government, *Neighbourhoods and communities 2023: Scottish Household Survey findings*, (20 Dec. 2024), <https://www.gov.scot/publications/neighbourhoods-communities-2023-findings-scottish-household-survey/>

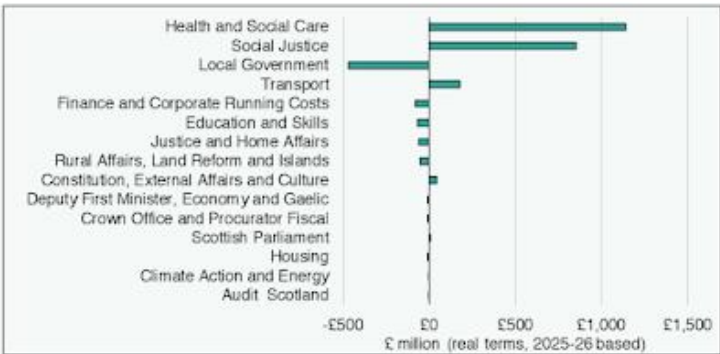
### 3. Challenges Communities Face

‘Scotland has a strong history of community and a long-standing tradition of bringing people together. In Scotland, we believe in the potential of society, community and connection. We can achieve so much more together than we can alone.’<sup>19</sup>

This is the inspirational pitch on the Scotland.org website. It aims to encourage people to visit, move to, invest in, study in, work in, and trade with Scotland. Like all marketing pitches, it is intended to evoke a warm welcome, but does it truly reflect modern Scotland?

#### Funding

Our social infrastructure has been degraded by long-term cuts in local government funding and the centralisation of services. COSLA sought an additional £750m investment to protect and strengthen social care, but the Scottish Budget for 2026/27, as announced, fails to deliver this. ‘Further to this, the medium-term outlook paints a worrying picture for local government, with continued de-prioritisation and the prospect of significant real-terms cuts.’<sup>20</sup>



We highlighted one example of degraded social infrastructure in our paper, *Sports and Culture in Scotland*. Local government investment in culture, sport and leisure services across Scotland has reduced by at least 20 per cent in real terms between 2010/11 and 2022/23—as much as 33 per cent in some areas. Around one-third of councils and ALEOs have closed facilities altogether, and many have also reduced opening hours.<sup>21</sup> Scottish spending on culture is amongst the lowest in Europe. The proportion of adults meeting the recommended levels of physical activity is 63 per cent, falling to 50 per cent in Scotland’s most deprived areas. Progress in National Outcomes has been minimal and, if anything, deteriorating, particularly for the most disadvantaged communities. Another is the extent to which our communities are maintained. Only 86.4 per cent of sites inspected by Keep Scotland Beautiful in the city were deemed acceptable in 2023-24. There is also more waste in the streets, roads, squares, and parks of poorer areas than in wealthier ones.

<sup>19</sup> The Power of Community (Scotland Website), <https://www.scotland.org/inspiration/the-power-of-community>

<sup>20</sup> COLSA, *Budget reality*, [https://www.cosla.gov.uk/\\_\\_data/assets/pdf\\_file/0031/68386/COSLA-Budget-Reality-26-27-FINALv2.pdf](https://www.cosla.gov.uk/__data/assets/pdf_file/0031/68386/COSLA-Budget-Reality-26-27-FINALv2.pdf)

<sup>21</sup> D. Watson, *Sports and Culture in Scotland*, (Jimmy Reid Foundation, April 2025), <https://reidfoundation.scot/2025/04/sports-and-culture-in-scotland/>

Councils representing local communities also have limited discretion over how best to deploy their limited resources. Specific Resource Grants, also known as "ring-fenced" grants, grew markedly between 2016-17 and 2021-22. While there has been a recent reduction in ring-fenced funding, the Accounts Commission has highlighted that funding remains constrained. The increase in the general revenue grant is largely directed towards the delivery of Scottish Government policies or to support previous pay awards, rather than to increase available funding for councils to use at their discretion. Last year, they also identified a £647 million difference between anticipated expenditure and the funding and income they received (the 'budget gap'). Council Tax, charges, cuts, and the use of reserves are plugging the gap, but in the medium term, this is unsustainable.<sup>22</sup>

UK and Scottish Government initiatives have targeted some resources directly to communities. However, these have been piecemeal approaches and are rarely sustained. All too often, they are top-down approaches that fail to properly engage communities of place. Many community groups depend on grants and donations, which can fluctuate. Securing long-term financial support amid reduced government funding and economic uncertainty can prove difficult. As working people work longer due to job intensification and the cost-of-living crisis bites, the number of people willing to volunteer declines.

### **Inequalities**

It is estimated that 20% of Scotland's population (1,070,000 people each year) were living in relative poverty after housing costs in 2021-24. Before housing costs, 18% of the population (970,000 people) were living in poverty. One-third of people live in households that lack high food security, and 23% of children (240,000 children each year) live in relative poverty. Three-quarters of those children live in working households. The youngest households (household heads aged 16-24) have consistently been more likely to be in relative poverty than older households. Figure 19 shows that, in 2021-24, 37% of people in households in this group were in relative poverty after housing costs were accounted for. People from non-white minority ethnic groups were more likely to be in relative poverty.<sup>23</sup>

The annual JRF report, *Poverty in Scotland*, highlights the extent and impact of poverty, with the trend showing little change in the unacceptable levels of poverty in Scotland, despite welcome initiatives such as the Child Payment.<sup>24</sup>

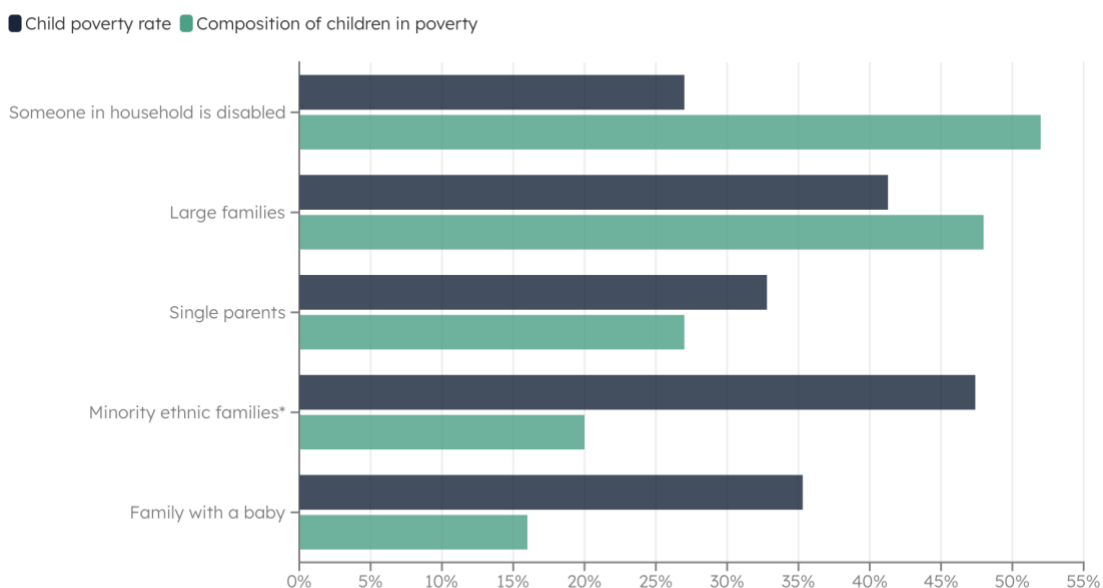
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<sup>22</sup> Accounts Commission, *Local Government Budgets 2025/26*, [https://audit.scot/uploads/2025-05/briefing\\_250522\\_council\\_budgets.pdf](https://audit.scot/uploads/2025-05/briefing_250522_council_budgets.pdf)

<sup>23</sup> Scottish Government, *Poverty and Income Inequality in Scotland 2021-24*, (March 2025), <https://data.gov.scot/poverty/>

<sup>24</sup> JRF, *Poverty in Scotland 2025*, <https://www.jrf.org.uk/poverty-in-scotland-2025>

**Figure 1: Poverty rate and share for children in the priority families 2021–24**



Source: JRF analysis of Households Below Average Income  
\*Our definition of minority ethnic does not include people from an 'other white' background.

The Scottish Government estimates that from October to December 2025, there will be around 830,000 fuel-poor households in Scotland – 33% of all households. This represents an increase of 10,000 households relative to estimates for July to September 2025.

A 2025 STUC report highlights extreme wealth inequality in Scotland, noting that the wealthiest 2% of households hold more wealth than the poorest 50% combined. The 10 richest families hold £24.7bn in wealth, exceeding the wealth of the poorest 28% of the population. Their combined wealth increased by almost 8% between 2024 and 2025.<sup>25</sup>

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<sup>25</sup> STUC Wealth Analysis, (October 2025), <https://taxjustice.scot/wp-content/uploads/2025/10/STUC-Taxing-Wealth-for-a-Fairer-and-Greener-Scotland.pdf>



## Local Economy

In our 2025 paper, *Building the Local Economy*, we highlighted that even before the pandemic, the number of shop closures was accelerating.<sup>29</sup> In Scotland in 2023, three stores closed, and two new stores opened, resulting in a net daily closure of one store. High street retail has struggled since the rapid growth of out-of-town shopping centres in the 1980s and the rise of online shopping in the 1990s. Increased parking charges by local authorities, to both reduce emissions and raise funds alongside LEZ charges, make retail parks cheaper to visit than town centres. More recently, the cost-of-living crisis has reduced disposable income available for retail spending. City centres have been affected by the growth of home working, poor transport links, and council cuts that harm the environment. Local authorities own over 1,100 vacant properties in Scotland's cities, while real estate investors, tax haven firms and others are responsible for more than 500 high street vacancies

The decline of the high street, out-of-town retail parks, and internet shopping is only part of the story. It reflects more serious weaknesses in the shopping-centred model that has driven development since the Second World War. Global corporations have been allowed to take over our high streets, making distant places look and feel alike. The short-term investment strategies of private equity firms are often instrumental in helping push longstanding retailers to the brink

The UK Government has made growth central to its economic strategy. However, all growth is local, and governments must support the local economy to succeed at both the Scottish and UK levels. There needs to be a renewed focus on Community Wealth Building, with support for cooperatives and municipal enterprises. This requires long-term, consistent funding rather than one-off initiatives such as City Deals and Pride in Place.

## Centralisation

Despite initiatives between COSLA and the Scottish Government, as well as several commissions and numerous reports, we are no closer to realising the principle of subsidiarity. In practice, powers have been stripped from councils and services such as police, fire, further education, and water have been centralised. Scotland has some of the largest basic council units in the world, with an average population of 170,000, compared with a European norm of 10,000. The Christie Commission on Public Service Reform recommended, 'A first key objective of reform should be to ensure that our public services are built around people and communities, their needs, aspirations, capacities and skills, and work to build up their autonomy and resilience.'

Polling for the ERS Democracy Max project found that 67% of Scots feel they have little or no influence over decisions affecting their local community, and 45% would like more influence over such

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<sup>29</sup> D. Watson, *Building the Local Economy*, (Jimmy Reid Foundation, 2024), <https://reidfoundation.scot/2024/08/building-the-local-economy/>

decisions.<sup>30</sup> One recent example is policing. Despite a decline in crime, public confidence in local policing has declined since Police Scotland centralised policing in Scotland.<sup>31</sup>



We do have a very limited form of community based local democracy with community councils. However, they have very limited powers, minimal funding, and as a consequence their impact is patchy at best.

These are all very real challenges that, if not addressed, will continue to undermine our communities of place.

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<sup>30</sup> ERS, *By us and for us: How local democracy can build and strengthen community*, (May 2022), <https://electoral-reform.org.uk/latest-news-and-research/parliamentary-briefings/by-us-and-for-us-how-local-democracy-can-build-and-strengthen-community/>

<sup>31</sup> Auditor General, *Best Value in Policing*, (January 2026), [https://www.hmics.scot/media/yxvmaju4/nr\\_260122\\_best\\_value\\_policing.pdf](https://www.hmics.scot/media/yxvmaju4/nr_260122_best_value_policing.pdf)

## 4. A New Approach

We might begin by examining the happiest countries in the world. Nordic countries continue to lead the World Happiness Index, with Finland, Denmark, and Iceland ranked as the top three happiest nations. In contrast, none of the large industrial powers ranked in the top 20. Finland has been ranked the world's happiest country for eight consecutive years (2018-2025) due to high societal trust, a robust welfare state, and a close connection to nature. Key factors include low corruption, high equality, excellent work-life balance, and free top-ranking education and healthcare. This reinforces the case we previously made, that the local economy must be viewed in the broader community context. The local economy is not simply a cold economic calculation based on population, employment and productivity. To function, a healthy, supportive community is needed. This requires investment in the social infrastructure that fosters contact, mutual support, and collaboration. This includes libraries, leisure facilities and green spaces.



Strengthening social infrastructure is crucial if we are to tackle the decline in young people's mental health. This requires serious investment in youth services, outdoor spaces and community infrastructure. Schools need more time for play, creativity and extracurricular activities, not just for academic performance. Families need support to create shared experiences, from outdoor play to community participation. Public spaces, such as parks, serve as assets for care and well-being, highlighting the emotional investment people have in their local green spaces. By offering opportunities for connection, belonging and shared experiences, parks often become essential infrastructure for health.<sup>32</sup>

It is also clear that the outbreak of culture wars is the wrong direction. Historically, local civic institutions – pubs, working men's clubs, trade union halls, church halls – came into their own when communities faced hard times. They served as emergency shelters and dining halls, information points and advice services, and as spaces for emotional and practical support, as well as for enjoyment and celebration. Some such spaces still exist, but much of this social infrastructure has declined or been dismantled. Into this vacuum steps populist right and far-right parties. They generate support by offering some residents a renewed sense of community, or by promoting unfounded conspiracy

<sup>32</sup> A. Gomes, *Parks as a source of health and well-being*, (LSE British Politics, Dec. 2025), <https://blogs.lse.ac.uk/politicsandpolicy/parks-as-a-source-of-health-and-well-being/>

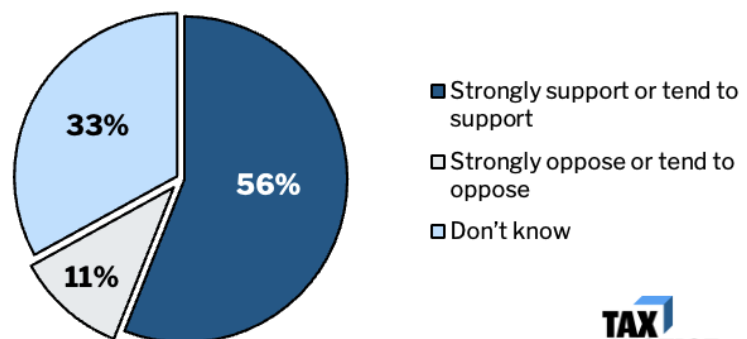
theories around sensible concepts like the 15-minute neighbourhood. However, rather than simply blaming immigration for negative effects, several community groups are working together to support residents, challenge the council and landlords to improve conditions, and clean up the neighbourhood’s streets.<sup>33</sup> The Hope Unlimited Charitable Trust is raising funds for practical grassroots voluntary projects that build hope, tolerance and trust as an antidote to division, hatred and despair.<sup>34</sup>

The success of place-based development initiatives depends on good governance. Communities of place have seen their local services centralised and their ability to influence decision-making diminished. The decentralisation promised as part of the devolution settlement has not happened. The Scottish Parliament could devolve greater power to communities and democratically controlled local bodies. The aim is not to create more politicians; it is to involve more people in the governance of our lives.

Scotland has 32 councils, too big to be truly local and generally too small to be properly strategic. When local democracy is perceived by citizens as important to their lives, they tend to be more engaged and active in building a strong community.<sup>35</sup>

This has to include ensuring communities have the financial resources to support communities, including a long-overdue reform of the Council Tax. More than half of Scots (56%) support political party commitment to reforming Council Tax during the next Parliament, while just 11% oppose this – a decisive mandate for change.

**To what extent would you support or oppose political parties in the Scottish Parliament committing to reforming the council tax system within the next Parliamentary term?**



Source: YouGov polling, 8-14 January 2025



The Community Wealth Building Bill offers an opportunity to bring parts of Christie’s empowerment agenda to life by redesigning local economies so that wealth is widely held, locally rooted, and directed towards community well-being.<sup>36</sup> One gap is empowerment by law. A general power of competence

<sup>33</sup> A. Ince, *How ordinary neighbourhoods became battlegrounds in the politics of ‘broken Britain’*, (The Conversation, January 2026), <https://theconversation.com/how-ordinary-neighbourhoods-became-battlegrounds-in-the-politics-of-broken-britain-271663>

<sup>34</sup> Z. Williams, *United against hatred: the Labour MP and ex-Tory MP bringing communities together*, (Guardian, January 20226), <https://www.theguardian.com/society/2026/jan/10/gurinder-singh-josan-labour-kris-hopkins-ex-tory-mp-charity-hope-unlimited>

<sup>35</sup> Building a Local Scotland, <https://buildlocal.scot>

<sup>36</sup> Scottish Parliament, *Community Wealth Building (Scotland) Bill*, <https://www.parliament.scot/bills-and-laws/bills/s6/community-wealth-building-scotland-bill>

would allow local authorities, acting in the public interest, to take creative action to improve their communities, provided they stay within broad statutory and fiduciary safeguards.<sup>37</sup> Other measures are needed to turn rhetoric into action, such as practical support for the cooperative model. Workers deliver services; therefore, we should promote Fair Work by ensuring fair pay and conditions, secure employment, and genuine engagement of trade unions and workers in decision-making.

The What Works Centre reviewed 51 studies examining social relations, community well-being, or individual well-being outcomes across eight intervention categories.<sup>38</sup> They identified a series of effective approaches:

- Create good neighbourhood design and maintain physical spaces, such as meeting places, public parks, safe and pleasant public spaces, public seating, accessible and walkable spaces, and local shops.
- Support mixed populations, in terms of income, ethnicity, etc., in new neighbourhood developments.
- Increase the number of local events such as car boot sales, markets, and street parties.
- Create ways for local people to share information, such as notice boards or email groups.
- Provide greater opportunities for residents to influence decisions affecting their neighbourhoods and encouraging engagement.

A salient example of the importance of community engagement is the case of cycle lanes. Protests and headlines may give the impression that cycle lanes are deeply unpopular, but most people, including both drivers and cyclists, support new infrastructure and even traffic restrictions, as long as they are well designed and involve only modest changes. Much of the online debate considered in a recent social media study focused not on the principles of cycle lanes or low-traffic neighbourhoods, but on whether local residents felt they had been properly consulted. Listening to communities can make the difference between a scheme being welcomed as a local improvement or rejected as a top-down imposition. This should involve everyone and not just the loudest.<sup>39</sup>

The Young Foundation identified five key infrastructure priorities, which are required to build trust, participation, and more collective ownership of complex challenges:

- Local, social infrastructure that brings people together to new opportunities and safety
- An education system that builds capabilities and expectations of civic participation

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<sup>37</sup> G. Eckton, *Building Wealth, Building Trust: The Case for Local Competence*, (LinkedIn, Oct. 2025), <https://www.linkedin.com/pulse/building-wealth-trust-case-local-competence-george-eckton-f3txe>

<sup>38</sup> What Works Centre, *Places, spaces, people and wellbeing*, (March 2018), [https://whatworkswellbeing.org/wp-content/uploads/2020/01/Places-spaces-people-wellbeing-full-report-MAY2018-1\\_0119755600.pdf](https://whatworkswellbeing.org/wp-content/uploads/2020/01/Places-spaces-people-wellbeing-full-report-MAY2018-1_0119755600.pdf)

<sup>39</sup> W. Poortinga, *Why do people support or oppose bike lanes?*, (The Conversation, January 2026), <https://theconversation.com/why-do-people-support-or-oppose-bike-lanes-our-research-sheds-light-on-public-opinion-271455>

- Public sector capabilities and structures that sustain civic engagement in democracy and change
- An expanded research and innovation system, which legitimises community participation
- Incentivise private sector businesses and investors to direct their social and net zero strategies to transformational ends for vulnerable communities.<sup>40</sup>

A new approach must incorporate all of these, but above all, we need to create a structure that enables communities to influence decisions affecting their neighbourhoods and to encourage engagement.

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<sup>40</sup> The Young Foundation, *Five ways a community-centred community-centred policy agenda could policy agenda could take us to a fairer future*, (March 2023), <https://youngfoundation.b-cdn.net/wp-content/uploads/2023/03/National-Policy-Forum-Response-final.pdf?x49395>

## 5. Conclusion

This paper makes the case, even in an increasingly digital world, for strengthening communities place. They matter for our well-being, our resilience, democracy and the economy. That sense of belonging that every society needs.

We set out the real challenges facing communities of place across Scotland. From funding and inequalities to exploitation by the far-right, these communities are under threat as never before. The local economy is struggling, public services are being centralised and degraded, and communities are left without an effective voice.

Finally, we propose a new approach that recognises the value of communities of place and the practical measures needed to rebuild them. These include recognising the value of social infrastructure and public services, devolving power, and building the local economy through Community Wealth Building. We also need to better understand the practical measures that help build stronger communities, including neighbourhood design, high-quality public spaces, local events, and improved information sharing. Most importantly, we need to provide greater opportunities for residents to influence decisions affecting their neighbourhoods and to encourage engagement.

## Author and Acknowledgements

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Dave Watson is the Director of the Jimmy Reid Foundation. Dave was the head of policy and public affairs with UNISON Scotland until his retirement in 2018.



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Born in Liverpool, he spent his teenage years in London before working in leisure management, then for UNISON in Wales and Dorset, and 34 years in Scotland, apart from government secondments. He lives in Ayrshire and is a published historian, as well as secretary of the Socialist Health Association Scotland and the Keir Hardie Society. He is a Fellow of the Royal Society of Arts and an Associate Fellow of the Royal Historical Society.

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