



The Scottish Parliament  
Pàrlamaid na h-Alba

## **RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE**

Paul Wheelhouse MSP  
Minister for Environment and Climate  
Change

c/o Clerk to the Committee  
Room T3.40  
The Scottish Parliament  
Edinburgh  
EH99 1SP

Tel: (0131) 348 5221

e-mail:

[racce.committee@scottish.parliament.uk](mailto:racce.committee@scottish.parliament.uk)

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### **The Land Reform Review Group's final report: The Land of Scotland and the Common Good**

Dear Paul

#### **Background**

The Rural Affairs, Climate Change and Environment (RACCE) Committee scrutinised the work of the Land Reform Review Group (LRRG) throughout its lifespan, taking evidence from the Group at the outset, and again following the publication of its interim report. This scrutiny built on the Committee's review of the post-legislative scrutiny carried out at the end of the previous session by its predecessor committee, and also dovetailed with the Committee's on-going scrutiny of the review of agricultural holdings legislation.

Upon publication of the Group's final report, *The Land of Scotland and the Common Good*, the Committee took evidence from the LRRG<sup>1</sup>; stakeholders<sup>2</sup>; and from you<sup>3</sup>, over three successive weeks. The Committee also received a

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<sup>1</sup> Scottish Parliament Rural Affairs, Climate Change and Environment Committee. Official Report, 28 May 2014. Available at:

<http://www.scottish.parliament.uk/parliamentarybusiness/28862.aspx?r=9215&mode=pdf>.

<sup>2</sup> Scottish Parliament Rural Affairs, Climate Change and Environment Committee. Official Report, 4 June 2014. Available at:

<http://www.scottish.parliament.uk/parliamentarybusiness/28862.aspx?r=9231&mode=pdf>.

<sup>3</sup> Scottish Parliament Rural Affairs, Climate Change and Environment Committee. Official Report, 11 June 2014. Available at:

<http://www.scottish.parliament.uk/parliamentarybusiness/28862.aspx?r=9244&mode=pdf>.

number of written submissions<sup>4</sup> offering views on the final report. The Committee encourages you to read and consider the comments made to it, in both written and oral evidence.

The Committee intended these sessions as an early opportunity for the LRRG to discuss its conclusions and recommendations; for a wide variety of stakeholders to offer initial comment; and for you to comment on the recommendations in the report. The work was carried out directly after the report was published, and was concluded swiftly to allow a debate to begin before the Parliament goes into recess at the end of June.

This letter therefore outlines the initial thoughts of the Committee on the Group's final report and the next steps. The Committee intends to further scrutinise individual recommendations in the report, and emerging outcomes, in the autumn and into 2015, as the Scottish Government and others begin to respond to the challenges set out in the report.

### **General comment**

As you are aware, the final report is a comprehensive piece of work which includes a large number of recommendations, set within the context of the Scottish Government's target of having one million acres of land in community ownership by 2020. The figure you quoted when you gave evidence to the Committee, of 0.008% of Scotland owning 50% of the land was a striking one and demonstrates that land ownership in Scotland is highly concentrated and why some people feel is in need of diversity. However, the Committee was also pleased that you noted that the report was not anti-private ownership, and that there is room for various forms of ownership, and that the report is as applicable to urban Scotland as it is to rural Scotland.

We understand that some of the recommendations in the report will be considered as part of the recently introduced Community Empowerment (Scotland) Bill, particularly in terms of community ownership issues in urban areas. Although not the lead committee on that Bill, the Committee will monitor the Bill's progress with great interest. You have also announced that the Scottish Government intends to bring forward a land reform bill in this session of Parliament. The Committee looks forward to engaging in detail on such a bill when it is introduced.

From the Committee's initial scrutiny of the report, and having listened to the views of many stakeholders, it is clear that there is a need to carefully consider all of the recommendations to determine if they are the best means to deliver the desired outcomes, or whether there are alternatives which should also be explored. There also needs to be further consultation with stakeholders on many of the recommendations and the resulting desired outcomes. This process should enable a clear picture to emerge of which recommendations are going to be taken forward now and which

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<sup>4</sup> Scottish Parliament Rural Affairs, Climate Change and Environment Committee. Written evidence on land reform. Available at: <http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/77795.aspx>.

recommendations are to be prioritised in a short, medium and long term context. This should also clarify how the recommendations may relate to the Community Empowerment (Scotland) Bill or to a land reform bill. There may also be other desired outcomes which can be delivered outwith either of these primary legislative processes.

The Committee considers that establishing a number of themed workstreams to pursue different aspects of the report (for example, one on taxation, one on community ownership, one on rural housing etc) may be the most effective way to move forward and structure the process.

The Committee is also clear that, given the time it has taken to get to this point in the process, it is imperative that the issue of land reform does not slip back down the political agenda, and also that the process from this point is not rushed. Decisions taken following publication of this report are likely to have a significant impact on the economy and environment of Scotland, as well as on all of its people, and therefore need to be carefully considered to ensure they deliver long lasting and appropriate reform in the public interest and for the common good.

### **Specific issues**

#### *Ownership (private/public/community)*

The report made several recommendations relating to ownership (including private, public and community ownership) which have already been subject to a great deal of public comment, such as those relating to establishing an upper limit of the amount of land a single entity can own; limiting ownership/registry to those registered in the EU only; extending the options open to community groups to acquire land; ending the role of the Crown Estate Commissioners in Scotland; and the more active acquisition of land for forestry purposes.

The Committee received a great deal of evidence, with a variety of views on these very important yet contentious issues. Members of the Committee will no doubt have some differing thoughts and views on some of these proposals and we look forward to learning more about the Scottish Government's intentions with regards to these, and other recommendations, and to looking at many of them in more detail in the months ahead.

**However, the Committee believes it is important that any proposals are subject to full consultation and that any which require further detailed consideration are not introduced as amendments to the Community Empowerment (Scotland) Bill, but are included in the planned land reform bill.**

The Committee also received evidence on the importance of interpreting EU State Aid rules in such a way that would assist with community acquisition costs and encourage greater diversification of land ownership. **The Committee was pleased to note your comments in evidence which suggested that the Scottish Government was committed to seeking to interpret the rules to ensure they were a positive influence on the**

**facilitation of community projects and that achieving the balance between commercial activities and any possible realistic distortion of EU trade was vitally important. The Committee also welcomes your observation that it was essential that communities are given more support to help them understand EU State Aid rules.**

#### *New agencies*

The report recommends the establishment of potentially three new agencies (a Community Land Agency; a Scottish Land and Property Commission; and a Housing Land Corporation). The Committee received the thoughts of stakeholders on those proposals, and you told us that the Scottish Government would be considering the proposals now to see if they were the most appropriate method of delivering the desired outcomes. **The Committee welcomes your commitment to study these recommendations in full to see if they are the most appropriate and efficient way of obtaining the desired outcomes. The Committee will await further information from you on these recommendations and will engage with them in due course.**

#### *Registration*

It is clear that some of the recommendations hinge on the completion of Scotland's land register, and the Committee notes the Scottish Government's goal of ensuring that all public land is registered within 5 years, and that all land is registered within 10 years. The Committee believes that these are ambitious targets, and received evidence from some, including crofters and estate managers, that additional resource is likely to be required if those targets are to be met. The Committee also heard evidence suggesting that establishing a detailed register of legal title was less important perhaps than establishing, in a much quicker timescale, an unofficial but well mapped understanding of who owns the vast majority of Scotland, what that land is used for, and how the owners and managers can be contacted.

**The Committee welcomes your commitment to explore the practical issues involved in establishing a non-definitive register (or simply making relevant information available to all) given that much information on land ownership is held by a variety of organisations already. The Committee also welcomes your intention to hold discussions with the Minister responsible for the Registers of Scotland to explore issues such as resource and timescales, and to come back to the Committee on those issues with further information in due course.**

**The Committee supports the call for all land to be registered within the timescales set out by the Scottish Government, and may return to the issue of how this can be achieved and what additional resources may be required in due course.**

#### *Land development and housing*

The Committee heard a variety of evidence regarding land development and housing issues, from the need for more and better rural housing (including self-built housing and social and affordable housing); to the possible reintroduction of the Rural Home Ownership Grant Scheme; and issues in the

private rented sector, including the often unique tenancy agreements on estates. **The Committee believes it is essential that you work closely on these issues with relevant Ministerial colleagues. The Committee is interested to see how any related issues are pursued in the Community Empowerment (Scotland) Bill and during its passage through the Parliamentary legislative process, and would welcome an update from you in due course of how other outcomes in this area will be pursued/delivered by the Scottish Government.**

#### *Land taxation, payments and markets*

The Committee considers that the recommendations in this part of the report would merit a specific workstream to develop the suggestions further and to look in more detail at the potential economic impacts, in terms of both benefits and possible drawbacks of various options. The Committee notes that the Scottish Government has already stated that it will not pursue the recommendation relating to the sectors currently exempted from business rates and would therefore **welcome your views, in due course, on how the outcomes sought in this part of the report can best be delivered and how stakeholders will be engaged with.**

#### *Agricultural tenancy/wild fisheries/deer management/crofting*

Finally, the report makes recommendations on several areas which are currently subject to formal or informal review, such as agricultural holdings; crofting; wild fisheries management; and deer management. **It is essential that all of these reviews complement and inform each other where appropriate, to ensure all of Scotland's land is owned and managed to deliver the desired outcomes: thriving and sustainable rural economies, environments and communities.**

With regards to agricultural holdings issues, **we recommend that you work closely with the current Cabinet Secretary led review to ensure that the relevant recommendations in the LRRG report inform the work of that review.**

There is a key challenge in the report, as we discussed during our consideration of the most recent crofting legislation, to simplify crofting law, almost to the point of starting from a fresh sheet of paper, and we note the recent output from the crofting sump which you are familiar with. **We would welcome an indication from you on the Scottish Government's plans regarding crofting law reform.**

With regard to wild fisheries and deer management respectively, the Committee has been, and will continue to be, very active on these issues and would **welcome your views on how the recommendations in the LRRG report will inform reviews and future policy in those two areas.**

## **Conclusion**

**The Committee does not see the publication of the LRRG's final report as an end point in this process, but as another important milestone on the journey towards establishing a fair, equitable and appropriately**

**productive pattern of land ownership, control and management across Scotland in the public interest and for the common good. It is vital that momentum is not lost, and that the thrust of the report, and its recommendations, inform other on-going areas of consideration, such as reviews of agricultural and crofting law, and the future of the management of our wild fisheries and deer populations. However, it is also important that each recommendation is carefully considered (perhaps by using the workstream approach outlined by the Committee above) and consulted upon and the Committee looks forward to adding value to that process, scrutinising any resulting legislative and policy proposals as they come forward. We look forward to continuing to consider these matters when Parliament returns, briefly in August, and then at the end of September.**

Yours sincerely

A handwritten signature in black ink that reads "Rob Gibson". The signature is written in a cursive, slightly slanted style.

Rob Gibson MSP  
Convener