Written submission from Estate Business Group

Land Reform Bill Consultation Response

Introduction.

EBG is a collective organisation whose members include landowning estates, three of which are situated in Scotland; and others own property there. Between them, in Scotland, these estate businesses employ approximately a thousand people.

EBG member estates seek to promote economic progress, best practice for heritage and environmental management and diversification in traditional rural business: EBG’s members are thus leading in rural land and building management and are both able and keen to collaborate with Government to confront the challenges jointly faced, some of which are referred to in this note.

EBG considers that the Land Reform Bill, as drafted, contains some sound ideas which should be pursued – but there are serious issues to be addressed: and in this context EBG suspects that the extent of the potentially difficult issues will only fully emerge during the passage through Committee and Parliament. EBG is thus pleased to be able to comment at this stage. Some related observations are set out briefly below.

Bill Content

Land registration This and greater transparency of beneficial ownership is to be applauded, both for Scottish land and for other property as well. However, EBG believes that the process may be more complicated than anticipated and, certainly, will need adequate resourcing at the Land Registry. While the current discount offered by the Registrar is welcome, it is small in comparison with the cost and effort involved, falling on the landowner, in registering a large estate.

Land Commission. EBG hopes that the Land Commission should include expertise on all aspects of Land management.

Agriculture There are real challenges facing this important industry in Scotland and EBG welcomes an opportunity to address these for the future long term benefit of those involved. However, EBG considers that the principal challenge does not stem from an ownership pattern but from other matters including uncertainties created by frequent official intervention. The main challenge is how best to compete in the global agricultural market, and, related to how to create a vibrant modern tenanted sector that will encourage and sustain future employment in the industry against the background of declining subsidy and an ageing workforce. It is critical that confidence to let land is stimulated for the good of the farming industry.

EBG believes that the industry is so important it deserves a separate Bill to address these matters rather than simply their inclusion within wider Land Reform measures.

Ministerial rights EBG questions whether there is a need to enhance these rights to enable intervention in ownership. EBG suggests instead there are sufficient powers under CPO and Community Right to Buy to effect any change envisaged in the Bill. In particular EBG looks to a period of that consistency and observes that
many of the problems faced by the rural sector today are the direct consequence of contradictory policies of the past.

**Community Empowerment** While devolved decision making is acknowledged as a sound principle, it is clearly important to ensure decisions properly reflect the views of local communities rather than that of more distant voices. EBG believes that properly constituted consultations are the correct avenues for influence in this respect, rather than recourse to the press and pressure from those who are not genuinely part of the community. This theme also applies to the collection and in most cases distribution of subsidies, these being central to the economic functioning of rural businesses.

Moreover a tension too often exists (as it does elsewhere in the United Kingdom) between those who encourage and those who oppose planning proposals: ever thus and here no easy solution exists.

**Rates of sporting estates** Finally, when considering the proposed imposition of these rates, EBG would wish to register that:

- unlike other businesses to whom rates apply, sporting estates generally do not generate profit for their owners;
- the present proposal should be subject to both economic and environmental assessment;
- the likely results of the measure will be detrimental to both employment and investment;
- previous attempts to levy such rates were abandoned as being cost inefficient.

**Conclusion**

There are real issues and challenges to be addressed in this Bill but the most important objective should, EBG suggests, to be to secure the economic viability of the rural economy.