

Land Reform (Scotland) Bill

Introduction

1. The [Land Reform \(Scotland\) Bill](#) was introduced on 13 March, along with these accompanying documents:
 - [Explanatory Notes to Bill](#)
 - [Policy Memorandum](#)
 - [Financial Memorandum](#)
 - [Delegated Powers Memorandum](#)
 - [Statements on Legislative Competence](#)
2. The Parliament agreed to refer the Bill to the Net Zero, Energy and Transport Committee for Stage 1 scrutiny. At Stage 1, the lead Committee gathers evidence and information to decide whether to recommend support for the general principles of the Bill. The Parliament has not yet set a Stage 1 deadline.
3. The Committee on 23 April agreed its general approach to Stage 1 scrutiny, including initial witnesses. In addition to formal evidence, it has agreed to visits and engagement to gather more views on the Bill.
4. The Committee launched a call for written views on the Bill on 4 April, closing on 21 May. Most responses are now [published and available via this link](#).
5. At its first formal evidence session, [on 4 June](#), the Committee heard from the Scottish Land Commission.

About the Bill

6. The Bill makes a large number of changes, mainly textual amendment to already existing legislation on land reform or agricultural holdings. The Policy Memorandum explains that changes are in four main areas:
 - land reform: new laws affecting large holdings of land;
 - a model lease designed for letting land wholly or partly for environmental purposes;
 - agricultural holdings legislation; and
 - small landholdings legislation (these three areas comprising Part 2).

Part 1: land reform (large landholdings)

7. Part 1 comprises the land reform element of the Bill. The Policy Memorandum says reforms made by the Bill aim:
 - to improve the transparency of land ownership and management in Scotland,
 - to strengthen the rights of communities in rural areas by giving them more involvement in decisions about the land where they live and work,

- to improve communities' sustainable development by giving more opportunities for community bodies to buy land when it comes up for sale,
- to allow Scottish Ministers to consider (before a planned sale) if selling the land in lots rather than as one sale could increase the supply of more varied plots of land in a way that might be expected to have a positive impact on the ongoing sustainability of communities in the area.

8. In pursuit of this, the Bill would apply these measures to large landholdings:

- New obligations to produce Land Management Plans and to engage with local communities, to support compliance with the principles of the [Land Rights and Responsibilities Statement](#).
- Community bodies to receive prior notification in certain cases that the owner intends to transfer a large landholding, or part of it, and provide an opportunity for them to purchase the land.
- Introduction of a transfer test at the point of certain transfers of all or part of a large landholding if the land to be transferred is over 1000 hectares, to determine if the owner should be required to transfer the land in smaller parts (known as lotting).

9. A "large landholding" is defined differently for different purposes:

- For community engagement and Land Management Plan requirements, it means more than 3000 hectares of land, or at least 1000 hectares of land accounting for more than 25% of the land on a permanently inhabited island;
- For pre-notification and transfer test, it means more than 1000 hectares.

Part 2 (agricultural leases and tenancies)

10. Part 2 encompasses the other 3 of the 4 main areas of reform in the Bill. The Policy Memorandum says the overall aim is to modernise the law on agricultural holdings and small landholdings, in relation to:

- diversification – providing tenant farmers with greater opportunity to diversify their business, and in that way to improve farm incomes and help address the twin crises of climate change and biodiversity loss,
- agricultural improvements – giving tenant farmers more scope to improve their holdings, and participate in sustainable and regenerative agriculture,
- existing good husbandry and estate management rules – ensuring that tenant farmers can undertake sustainable and regenerative agricultural practices in accordance with these rules,
- waygo [the term for when a tenancy comes to an end] – enabling tenants and landlords to settle their waygo claims in good time, and so move forward with the next stage of their life,
- rent review – drawing on the work of the [Tenant Farming Commissioner](#), to create a flexible 'hybrid' system of review better suited to modern needs,
- resumption – ensuring that tenant farmers receive fair compensation where the landlord takes back any part of the leased land,
- compensation for game damage – modernising the compensation for game damage provisions by making good a wider range of losses, and

- pre-emptive right to buy – improving the registration process to make it less burdensome for the tenant.

11. Part 2 also:

- Places a duty on Scottish Ministers to publish a ‘model lease for environmental purposes’.
- Modernises the law on small landholdings to give small landholders similar rights to other agricultural tenants, and extends the role of the Tenant Farming Commissioner to these holdings. Small landholdings are a legally distinct form of agricultural tenure in Scotland, rather than simply all holdings under a certain size. The Policy Memorandum estimates that there are just 59 of them.

12. The Scottish Parliament Information Centre (SPICe) has published a [briefing](#) explaining the Bill in more detail. There is also a [SPICe blog](#) on Part 1.

Evidence session and next steps

13. On 18 June the Committee will hear from a panel of academic and practicing lawyers, as set out in the agenda. This will be to help gather legal views on issues with the current law and whether the intent of this new legislation is correctly reflected in its drafting. Both Part 1 and Part 2 will be under consideration. Witnesses have provided these written submissions:

- [Law Society of Scotland](#)
- [Faculty of Advocates](#)
- [Dr Jill Robbie, University of Glasgow](#)
- [Turcan Connell](#)

14. On 25 June, the Committee will hear from a panel of experts and stakeholders on Part 2. It will then go on to discuss and agree further witnesses on the Bill, to be invited to meetings in autumn. It is likely that the Committee will wish to solicit further views from other legal experts over the course of Stage 1 to ensure the diversity of opinions from this sector is captured.

15. On 21 June, the Committee [will hold a panel event on the Bill](#) at the Royal Highland Show. Subject to seat availability, this event is open to anyone attending the Show. There will be further visits and outreach in autumn.

16. Once all evidence and information has been gathered, and after considering reports from the Delegated Powers and Law Reform Committee (on delegated power provisions in the Bill) and from the Finance and Public Administration Committee (on estimates in the Bill’s Financial Memorandum), the Committee will report to the Parliament on whether the Bill’s general principles should be approved. The Parliament will then vote on a Scottish Government motion to approve the general principles. If these are agreed, the Bill moves to Stage 2, when the Bill may be amended.