

Stage 2 of the Land Reform (Scotland) Bill

CLS briefing on concentrated landownership – the impact and the evidence base

Briefing notes on concentrated landownership

Land reform has long been a Scottish Government objective due to on-going concerns about the impact of Scotland's uniquely concentrated pattern of landownership. This objective has sought to deliver the public interest in land (and how that land is owned and managed), with a focus on diversification of landownership. However, research by Andy Wightman has recently shown that landownership is further concentrating in Scotland, with now 421 landowners owning 50% of the private rural land, despite several pieces of land reform legislation.¹

Land reform is a pressing issue for the Scottish Parliament to address. Who owns land in Scotland has a direct impact upon the opportunity for economic development and wealth generation, and how the benefits of that are spread or alternatively extracted to benefit only a few. Scotland's concentrated pattern of landownership has resulted in inflated land prices, depleted biodiversity, an unsustainable industrial forestry sector, an inequitable food system and an agricultural sector which is growing more consolidated and stifling new entrants.

More people and local communities owning land in Scotland will ensure that wealth is retained in local areas where it is generated as well as helping more democratic and more resilient decisions being made about land management. This will enable more of the people of Scotland to be involved in the significant land use change which is needed in coming years to address the multiple crises of climate, biodiversity and growing inequality.

Evidence base for the damage of Scotland's concentrated ownership at a national scale

The NZET Committee have heard arguments to the effect that there is no evidence of the damage caused by the national concentrated pattern of landownership in Scotland. This is not the case. Instead the Scottish Land Commission (SLC) has not, as yet, been explicitly tasked with researching the impact of concentrated landownership at a national scale.

Despite this the SLC note the national impact of Scotland's concentrated pattern of land ownership in various publications.

1. SLC scale and concentration work

This work notes the impact on the rural economy and rural development overall, as well as the detrimental effects of wealth inequality derived from concentrated asset (land) ownership

- [Investigation into the Issues Associated with Large scale & Concentrated Landownership in Scotland, Scottish Land Commission, March 2019](#)

Quote from SLC:

“Most of the issues identified through this research can ultimately be attributed either to imbalances of power created by Scotland's unusually concentrated pattern of

¹ [Who Owns Scotlands 2024 - Land Matters](#)

landownership or to a deficit in participation created by inadequate or poorly understood land-use decision making processes. These themes are connected by a common thread of unfairness. Many of those who participated in the research were motivated by a strong sense that it is fundamentally unfair that so much of Scotland is owned by so few people and that so many people have so little influence over the land on which they live.

What **this research has done is to make a clear connection between this perceived unfairness and sub-optimal rural development outcomes** - but this conclusion should not be surprising. **There is a strong body of international evidence connecting inequality with sub-par economic performance. What is more surprising is that the relevance of this literature to Scotland's pattern of landownership is not more widely recognised."** - [Investigation into the Issues Associated with Large scale & Concentrated Landownership in Scotland, Scottish Land Commission, March 2019, p.7.](#)

2. SLC international comparisons and governance works

This work highlights the differences with international peers, largely attributable to the concentration of ownership: [Land Focus: Land Governance](#)

Quote from SLC:

"Examples from Europe and beyond demonstrate how rights can be held – or owned – by different parties and utilised harmoniously and profitably across the same area. Many of our European peers have unpicked the bundle of rights, and in so doing have found more productive ways to allocate resources, and ensure collaborative land use decision making." [Land Focus: Land Governance](#), p.3

3. SLC land market reporting

This work has consistently highlighted that the pattern of ownership is concentrating, and that the market operates in a way that facilitates concentration, hinders diversification, and in particular excludes groups like communities, new entrant farmers, and local businesses. All of which have knock effects at the national scale. - [Rural Land Market Insights Report - 2024.](#)

Quote from SLC:

"As has been highlighted in all three reports now, it appears that the pattern of landownership continues to become more concentrated, as farmland is either being consolidated by those looking to expand their businesses or (particularly in the case of upland farms) sold to a small number of forestry companies or natural capital investors. This trend has now been demonstrated through Wightman's (2024) analysis of landownership in Scotland, where, for example a single institutional investor has become Scotland's third largest landowner in a matter of a few years. **In notable contrast, two groups who struggle to access land in the current climate – communities and new entrants to farming – were barely mentioned as in this year's report."** [Rural Land Market Insights Report - 2024, p.36](#)