



The Church of Scotland

Church and Society Council

Official Response

SUBJECT: Land Reform Review Group: Call for Evidence
REQUESTED BY: Land Reform Review Group
REFERENCE: OR-2013/01
DATE: 14 January 2013
SUBMITTED BY: Adrian Shaw, Climate Change Officer ashaw@cofscotland.org.uk

Introduction

A Land Reform Review Group (LRRG) has been set up by the Scottish Government. The Group has been asked to identify how land reform will:

- *Enable more people in rural and urban Scotland to have a stake in the ownership, governance, management and use of land, which will lead to a greater diversity of land ownership, and ownership types, in Scotland;*
- *Assist with the acquisition and management of land (and also land assets) by communities, to make stronger, more resilient and independent communities which have an even greater stake in their development;*
- *Generate, support, promote and deliver new relationships between land, people, economy and environment in Scotland.*

The Church of Scotland is committed to land reform

The Church of Scotland serves communities across the length and breadth of Scotland, both urban and rural. The Church of Scotland is committed to community empowerment and accordingly, the issue of land reform has been of great interest to the Church both at a national and a local level for a number of years. In 1998 the General Assembly of the Church of Scotland debated land reform and called for the creation of a Scottish Land Convention, in whose work the Church was subsequently closely involved.

The 1998 report set out the vision of the Church of Scotland:

If it is to reflect Biblical priorities then land reform needs to be directed towards reversing the treatment of land as a status symbol or a commodity and dispersing the concentration of land ownership. In so far as the Bible recognises the deep interconnection between the justice and health of human society and the health and fertility of the land so land reform needs to reconnect the people and the land and place much greater emphasis on the need for the owners

*of land to adhere to a land use policy aimed at restoring the biodiversity of the land and directing its use to the benefit of the community as a whole.*¹

The subsequent proposals from the Scottish Government set out in the Scottish Government Land Reform Bill did not satisfy this aspiration and in 2002 the Church and Nation Committee expressed its disappointment:

Though taking some steps in the right direction, the current proposals do not represent a serious effort to change the most concentrated pattern of land ownership in the world with half of rural Scotland owned by 343 landowners.

*We therefore do not believe that the provisions of the Bill can achieve the stated aims of increased diversity in the way land is owned and used, and increased community involvement in issues crucial to their future.*²

These concerns remain, and have been reinforced in subsequent years by other reports received by the General Assembly that are relevant to land reform. The General Assembly 2012 endorsed a report from the Church of Scotland Commission on the Economy that set out four priorities for economic life in Scotland:

- reducing inequality
- ending poverty
- ensuring sustainability
- promoting mutuality.

Land reform can play a significant role in helping to bring about these priorities.

Concern for responsible stewardship of the environment is also a key aspect of Church of Scotland policy, with the establishment of the Responding to Climate Change Project in 2007 and the close involvement of the Church of Scotland in the Eco Congregation Scotland movement. The General Assembly decision in 2007 to support the development of renewable energy rather than nuclear or coal fired electricity generation, as well as a commitment to reduce carbon emissions in Scottish Churches throughout Scotland, demonstrates that the Church of Scotland is willing to take practical action to protect the environment for future generations.

The recommendations below are based on these decisions of the General Assembly.

Developments since the Land Reform Act

Since the Land Reform Act there have been a number of striking developments. The Scottish economy has faltered and the years of prolonged economic growth have been replaced by years of austerity. The economic circumstances of rural Scotland continue to diverge. Some rural

¹ Church and Nation report to the General Assembly of the Church of Scotland, 1998: 19/20

² Report of Church and Nation Committee to the Church of Scotland General Assembly 2002

areas around towns and cities such as Perth, Inverness and Aberdeen have continued to flourish, while other areas such as rural Ayrshire or the Western Isles experience on-going economic decline and depopulation. As predicted by the report of the Church and Nation committee in 2002 the pattern of landownership has been largely undisturbed by the Land Reform Act and the influence of large landed estates over many parts of rural Scotland remains great.

Renewable energy

There has been an enormous expansion of renewable energy, particularly wind power, with implications for the rural economy and rural incomes. The scale of the development is impressive with 143 of the total of 362 UK windfarms now located in Scotland and a total generating capacity of over 3.4 megawatts.³ The impact on the landscape in some areas has been significant but the impact on tourism has been less than antagonists have suggested.⁴ The expansion of wind farms has also prompted questions directly related to land ownership as large tracts of upland are now generating not only electricity but significant ground rents for land owners. A report in The Guardian about the expansion of windpower across the UK suggested the scale of this income:

Analysis of onshore wind power investments suggests that the 13GW of energy anticipated by the government to be installed by 2020 will pay landowners upwards of £100m a year in total rents, on top of the EU farm subsidies they automatically receive for owning land.⁵

There does not appear to be good data for Scotland on incomes derived from windpower and it may be useful for the review panel to consider if this is a gap that needs to be filled. This is an important consideration because the claims set out in The Guardian, if accurate, represent a significant transfer of income from domestic electricity consumers, including those living in fuel poverty, to landowners. The Church is concerned that this redistribution of income is tending to promote inequality. The ownership of land in Scotland remains deeply inequitable and the new landed income derived from windpower entrenches that inequality.

Community ownership

There are many good examples of communities that have been able to derive real benefits from renewable energy schemes. Fintry in Stirlingshire claimed to be the first community in Britain to

³ UK wind energy database January 2013

⁴ Economy, Energy and Tourism Committee 7th Report, 2012 (Session 4) *Report on the achievability of the Scottish Government's renewable energy targets* Scottish Parliament, November 2012.

⁵ Wind turbines bring in 'risk-free' millions for rich landowners, John Vidal, The Guardian, Tuesday 28 February 2012

own a wind turbine and set a standard that other communities can now aspire to. On Westray in Orkney the community owned Westray Renewable Energy company followed the example and now sell energy onto Marks and Spencer. On Gigha the community purchased three second hand wind turbines. About the development they commented:

'Whilst there may be a small but vocal minority opposed to windfarms elsewhere, all major decisions on the community owned Isle of Gigha are made by the community. In this way a well-attended trip to a nearby windfarm was arranged by the Trust and a full discussion and debate held, culminating in a meeting at the Gigha Village Hall where the vote in favour of the windmills was 100%.'

The development of community energy schemes is an alternative that has many advantages, in particular that the income can be shared for the mutual benefit of the community. However the barriers to community energy schemes are many and it takes a great deal of determination and confidence to develop such projects. For example Castlemilk & Carmunnock Community Wind Farm Steering Group explored the option of developing a community wind power scheme on the south side of the urban area of Glasgow. The area has a suitable wind regime and is also an area of multiple deprivation and fuel poverty that could receive considerable benefit from such a community asset. So far the plans have not come to fruition, in contrast to the commercial windfarm development by Scottish Power on Whitelee Moor, the largest windfarm in Europe, that is nearby. Another example that illustrates these issues comes from Dalavich in Argyll, a remote rural community surrounded by windfarm developments that is attempting to develop its own community projects. The issues and challenges are described in detail in the appendix. It is interesting that in both cases the community funds associated with the developments have been strongly criticised by local communities as inadequate both in amount and allocation. Windfarm community funds are no substitute for community ownership of renewables.

The Church of Scotland strongly supports the development of community renewable energy schemes and calls upon the review panel to consider how land reform could support such schemes.

Fuel poverty and renewables

A paradox of life in rural Scotland is that the rapid growth of renewable energy is matched by a growth in fuel poverty. We are repeatedly reminded that Scotland has one of the best resources of renewable energy in Europe.⁶ The abundance of wind power, the availability of sites for small scale hydro or forest biomass, and the potential for tidal and wave energy together place Scotland in the forefront of the renewable energy revolution. At the same time rising fuel prices, particularly oil and the lack of piped gas, lower winter temperatures and lower rural incomes place rural communities at a disadvantage; so levels of rural fuel poverty are correspondingly higher.⁷ This is unacceptable and if landowners are gaining financial rewards from renewables while a growing number of household

⁶ See http://en.wikipedia.org/wiki/Renewable_energy_in_Scotland for a good summary of Scotland's renewable resources.

⁷ Rural areas have a higher rate of households in fuel poverty (45 per cent) than the rest of Scotland (30 per cent) *Rural Scotland Key Facts 2011*, Scottish Government

are living in fuel poverty then the strong case for re-examining land reform to ensure the financial benefits of renewables are shared more equitably is strengthened further.

A VISION FOR COMMUNITIES ENRICHED BY RENEWABLE ENERGY

Can land reform help bring this about? The review asks three questions of respondents .

- 1. Outline your vision of how things could be different and explain why, in your opinion, they should be different*

It is suggested that land reform could help the renewable energy resources of Scotland be shared more equitably. Landowners have benefitted from the rapid expansion of renewable energy, especially wind power and the inequitable pattern of landownership in Scotland means that those benefits have been enjoyed by a small proportion of the population. Communities have received benefits where they have been able to develop their own projects, however as is clear from the data on fuel poverty there is much more that needs to be done. The Church of Scotland wishes to see many more communities receiving community income from renewable energy to generate community income and help alleviate fuel poverty in the community.

- 2. Indicate any barriers there may be in the way of attaining your vision;*

There is no requirement upon developers or landowners to share the income from new wind farm developments with communities beyond the community fund. The community right to buy is limited but could become a valuable tool to support communities achieve this aim. Yet the rate of uptake suggests that communities are not keeping pace with the growth in renewable energy. It is suggested that one of the principle barriers to community ownership of renewables is the relatively small percentage of land under community ownership despite ten years of the Land Reform Act.

- 3. Suggest how these barriers could be removed and progress facilitated – whether by voluntary, legislative, fiscal or other means.*

The Overview of Evidence on Land Reform in Scotland refers to uncertainty about the purpose of land reform. We suggest that the development of community energy projects should be identified as a specific object of land reform, both to develop community income and to help tackle fuel poverty. This should both help focus the purpose of land reform and give a clear signal to communities that they can invoke community right to buy where appropriate to facilitate community energy schemes.

The Review should re-examine what powers the Land Reform Act needs to bring this about. The Church and Nation Committee suggested in 2002 that the powers contained in the Land Reform Act were inadequate and the evidence of the past ten years bears out this conclusion. The review should look at what additional powers of community buyout might be needed.

APPENDIX: RENEWABLE ENERGY DEVELOPMENTS IN DALAVICH, ARGYLL

Dalavich

Dalavich is a small and remote rural community on the north west side of Loch Awe in Argyll. The Dalavich Improvement Group (DIG) is the community business that owns and manages the village hall and surrounding ground. This was purchased from the Forestry Commission (FC) in 2003 with the generous support of the Scottish Land Fund. The fund was very helpful in providing development funds before purchase and the support of a local representative, Duncan Baird, who was able to build confidence in the community and help it to see how a land purchase could secure a vital resource for the village.

Proposed Hydro Scheme

DIG is now investigating the development of a community hydro scheme on the River Avich, adjacent to the village. Interest in the scheme was prompted by the Forestry Commission which is developing a series of hydro schemes on forest land across Scotland. DIG, fearing the River Avich site would be shortlisted for development by the FC, submitted an expression of interest to the FC under the National Forest Land Scheme (NFLS) and has now commissioned a feasibility study for its own scheme. The cost of the study is being met by a Community Renewable Energy (CARES) loan. This should be completed by June 2013 and, all being well, an application to the FC under the NFLS scheme and subsequent planning application. The experience to date has been that the NFLS is significantly less 'community friendly' than the Scottish Land Fund.

Wind farm developments

Alongside the proposed hydro scheme the rapid development of wind power in north Argyll is both a concern to residents in the village and a possible opportunity. It is a concern because of the huge impact of the current and proposed developments. Within five miles of the village there is

- a windfarm in operation at An Suidhe
- one in building at Carraig Gheal (20 turbines)
- a proposal for a 20 turbine development by Infinis at Musdale
- a proposal for a development at Ardchonnell Farm.

The impact of the construction work at Carraig Gheal has been severe, with heavy construction traffic on the single track road through the village and disruptive in the woods above the village. Of particular concern to the village has been the failure of the associated community fund to result in significant resources to the village. Rather it has been divided among a number of communities, some quite distant. The likely resource for the village is thus a small fraction of the total.

While neither DIG nor the majority of village residents are opposed in principle to wind power there is growing frustration at the way it is being managed in north Argyll. Communities such as Dalavich are bearing the brunt of the construction work but are not seeing any decrease in their electricity bills or any sense of ownership of the new developments.

In response there is a growing demand in the village for a share in future developments. DIG is aware of the scheme at Fintry in which a community body has ownership of one turbine in a wind farm development and is interested whether this idea can be explored in other areas. Can developers be encouraged or required to offer communities a share of ownership of new developments?