

SNP land reforms 'risk breaking up Scotland's estates'

David Johnstone, the chairman of Scottish Land & Estates, says Labour and SNP MSPs praise lairds in private but falsely caricature them as wealthy "Monarchs of the Glen" in the Scottish Parliament.



Nicola Sturgeon is removing a business rates exemption for sporting estates Photo: Alamy

By Simon Johnson, Scottish Political Editor

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Scotland's estates risk being broken up and put out of business under the SNP's land reforms despite Nationalist and Labour MSPs privately lavishing praise on them, the head of the group representing the country's landowners has warned.

David Johnstone, the chairman of Scottish Land & Estates (SLE), said the Scottish Government's plans to overhaul the law of succession and force owners to "release" or sell their property risks having a highly damaging impact on the rural economy.

He told the Telegraph that most estates make little or no profit and breaking them up into units too small to be sustainable risks leaving the taxpayer with a large bill for a community buy-out with no economic gain.

Outlining the intense "frustration" his members feel about the manner in which the issue is being

presented, Mr Johnstone said many MSPs and some ministers lavish high praise on the estates in their constituencies only to lambast landowners when they are at Holyrood.

He urged the parliament to get away from the tired cliché that portrays land reform as a battle between wealthy “Monarch of the Glen” lairds and downtrodden local communities, saying that in reality they work closely together for mutual benefit.

Nicola Sturgeon put land reform at the centre of her first programme for government, promising radical reforms to ensure land was “an asset that benefits the many, not the few.”

She argued only 432 owners hold half the private land in Scotland, a figure Mr Johnstone conceded was “largely” accurate. But he said: “Everybody holds up Scotland as being staggeringly beautiful and it is staggeringly beautiful. We can’t be doing too bad a job.”

The first blow for landowners could be landed next week when ministers make a parliamentary statement on a review of agricultural holdings that could see tenant farmers being given the right to assign their tenancy to a third party.

Among the proposals being consulted on until next month are scrapping a business rates exemption for sporting estates and forcing owners to give up tract of land if they are deemed to be a “barrier” to development. A cap on the amount of land someone can own is also being mooted.

The law of succession is also to be overhauled to give children greater inheritance rights, raising the prospect of farms and estates being broken up and sold or divided among the deceased’s offspring.

Mr Johnstone warned the change would have a “huge, marked effect on small family farms” as “they run the risk of being forced to sell up to provide the money for the next generations.”

But the father-of-three, 43, also said larger estates and farms “potentially” face being broken up if they are not owned by a company or a trust.

“It would no longer be economically sustainable to manage them so you end up having to sell them and those businesses fail and are broken up into small pony paddocks and the rest of it,” he said.

“You are going to get environmental losses when you start to break up estates, you will have businesses fragmented into their parts. The sum of their parts is greater than the individuality of them.”

He cited a survey of estates in the Kincardine and Deeside area shows they have 400 houses and around 80 per cent that is “affordable” and provided at below-market rents.

Mr Johnstone said local housing associations “do not even get close” to providing this and cited the

knock-on benefit for the provision of local schools, jobs and services, such as GPs.

A survey of SLE members, who include 65 per cent of private estates, found they contribute £471 million to Scotland's economy and 8,114 full-time jobs, with nearly £300 million being spent in local communities. Shooting alone contributes £200 million, it was estimated.

Mr Johnstone said the abolition of the business rates exemption could have a "huge impact" on sporting activities such as grouse shooting, he added, as the profit margins are "very, very small."

He said many of the Scottish Parliament's 129 MSPs had visited estates and had come away full of praise, before inviting Ms Sturgeon to visit his family's 15,000-acre Annandale estate in Moffat, just south of Dumfriesshire.

But he said there was a gulf between SNP and Labour MSPs telling landowners in their constituencies they are the "good guys" and their "aggressive" rhetoric on a national stage where all the praise is "forgotten".

Citing the Highland Clearances, he said: "It sometimes feels the debate hasn't moved on from historical to where we are now. It's time to bring it to the modern 21st Century.

"There's this disjoint in the debate where you have landowners and the community and the two are separate. That's a load of rubbish – the landowners are part of the community.

"The MSPs out locally reviewing the estates see that first hand, so they fully get that everything works collectively together. Then you come nationally, and it's back down to a divide between community and landowner."

He said this was partly down to MSPs misunderstanding how estates work, a degree of envy in some cases and them being deliberately disingenuous for political reasons.

The land reform agenda suffered a setback last November when it emerged that the community trust that took over the small Hebridean Island of Gigha was facing potentially crippling debts of £2.7 million.

Mr Johnstone cited two, smaller community buyouts he has been involved with as evidence he is not defending the status quo, but warned: "There's a misunderstanding about the profitability that exists within these fragile communities. They might have a very large turnover going on in these businesses but the profits, if there are any, are very small.

"People equate the idea of owning the land with having the ability to release all this money, and the income is all going to come flowing in. But it doesn't happen – landowners aren't sitting there stifling

investment.

“They are doing everything they can do to generate the income in these places. It’s not bloody easy.”

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