

SLC: Land markets, climate goals and community interests intersect highly visibly in forestry

The Land Reform (Scotland) Act 2025 represents the latest chapter in Scotland's land reform story. While the measures of the Act will be implemented over the coming months and years, it's worth taking a moment to reflect on the broader context before diving into what the provisions of the Act actually mean for forestry and woodland management in practice.

This is the third Land Reform Act in the devolution era (2003, 2016, 2025), though a number of other Acts have also clearly contained land reform and related measures. While it's unnecessary to revisit the long history of

commercial forestry, woodland creation and carbon projects has brought new buyers into the market and contributed to changing patterns of ownership. Alongside the opportunities this creates, it has also prompted wider discussion about who owns Scotland's forests, who benefits from them, and how decisions about their future are made. Forestry is far from the only land use affected by these debates, but it is one of the most visible examples of how changing land markets, climate ambitions and community interests can intersect.

There are two main

on good engagement.

For forestry owners and managers, much of the information required may already exist in forest plans and management documents. The Act is less about creating new plans than providing a framework for sharing long-term intentions and linking them to a process of meaningful engagement.

On the land market side, the first provision is one of prior notification of sales. For landholdings in scope, this means Scottish ministers must be notified of any and all proposed land



Scotland's land ownership patterns here, changing ownership models, new forms of investment and competing demands on land mean questions about ownership and control remain highly relevant, particularly in sectors such as forestry.

Unsurprisingly, then, it is clear that a majority of the Scottish population, and the parliamentarians they elect, continue to believe that further land reform is required to meet the nation's needs and ambitions.

Today, community rights to buy land are well established, while the formation of the Scottish Land Commission ensures evidence-based policy is developed and the publication of the Land Rights and Responsibilities Statement has seen a shift in community engagement that brings benefits to both local residents and landowners. But the wider context is changing, too.

Climate and nature drivers are changing land use, as well as landowner motivations and business models. A less stable global economy poses its own challenges – Covid-induced supply chain snarl-ups sent timber prices rocketing, and with them forestry land values to a record peak in 2022. Forestry land values have since come back down with a bit of a bump. Nevertheless, this neatly demonstrates just how sensitive the Scottish land market is to factors outwith our control. Forestry may be a long-term game, and short-term volatility is to be expected, but there won't be many who can say they've enjoyed the wild ride over the past few years.

Scotland's forests and woodlands will continue to attract attention from investors, policymakers and communities alike. Demand in recent years for

themes in Part 1 of the new Land Reform Act: building on the work of community engagement that has gone before, and developing market interventions to provide a measure of public interest safeguarding against wild swings and ambitions.

Importantly, all measures in Part 1 of the Act only apply to certain holdings. Those in scope will be of 1,000ha or more, and will be considered contiguous if parcels are within 250m of each other. They must also be owned or controlled by the same person or entity.

The first of the new duties in regard to landholdings in scope are the Community Engagement Obligations. This is pretty much what it says on the tin: an obligation to engage with the community. Landowners will be expected to outline their vision and ambitions for their landholding, and genuinely consider community requests for leasing land or buildings. Where applicable, a request to create new crofts must also be considered.

For forestry businesses, that engagement could cover a wide range of issues, from woodland creation and harvesting programmes to deer management, biodiversity enhancement, recreation, access and the relationship between forestry and other land uses. While some may see this as an additional requirement, many forestry owners and managers will already be familiar with similar approaches through the UK Forestry Standard, certification schemes and woodland creation processes.

The output from this engagement exercise is the oft-mentioned Land Management Plan (LMP), but it is worth remembering this is just the output – the focus of the legislation is

sales from within the holding. That said, there will be a

set of *de minimis* exemptions for a range of minor and inconsequential land transfers, though the detail is not yet clear.

Land for sale will be publicly advertised, and ministers will notify anyone who has registered an interest in said land. There will be an additional window for communities to seek to buy the land under a slightly modified Community Right to Buy procedure.

For land of less than 1,000ha this is the end of the process; for sales of 1,000ha or more, a lotting decision will be required. It is worth noting that land sales of 50ha and above will be monitored as an anti-avoidance measure, and if it appears there has been a pattern of transfers that have sought to avoid the 1,000ha threshold trigger for a lotting decision, they will be considered to have been of no effect.

The lotting decision is based on a form of public interest test. Essentially, the new Land and Communities Commissioner (LCC) will investigate whether control over the portfolio of assets that make up the landholding poses a risk to the public interest, with a particular focus on elements of community sustainability. To be clear, this is not a fit-and-proper person test linked to individual landowner behaviour.

Where such a risk is identified, the LCC can recommend the holding be lotted for sale. This would not be arbitrary – it would need to relate directly to the public interest concerns identified.

For forestry buyers and investors, the practical implications are likely to depend on the circumstances of

individual holdings. In some cases, lotting may create opportunities for forestry assets to come to market separately from a wider estate, potentially broadening the pool of prospective purchasers. Equally, the provisions recognise that ownership patterns matter and that, in some circumstances, there may be a public interest in considering alternative ownership arrangements.

For the forestry sector, the Act is unlikely to change day-to-day woodland management overnight. However, it does signal a continuing expectation that large landholdings should be transparent about their long-term ambitions, engage meaningfully with the communities around them and, where appropriate, demonstrate how

transparency, trust and opportunities for local benefit. The success of the Act will ultimately depend on how well that balance is achieved.

James MacKessack-Leitch

About the Scottish Land Commission

The Scottish Land Commission is an independent public body established by the Land Reform (Scotland) Act 2016. Its role is to advise Scottish ministers and the Scottish Parliament on land reform and to support change in the way land is owned, managed and used in Scotland. The Commission also provides advice, guidance and evidence to support good practice in land ownership, management



THE AUTHOR

James MacKessack-Leitch is Policy and Practice Lead for the Scottish Land Commission. He heads its work on land and human rights, governance and ownership, ranging from developing proposals to reform Scotland's land market, to articulating the nature of carbon rights and what ownership means, modernising the Common Good property regime, and improving access to land for new entrants to agriculture. James hails from a family farming background and brings broad experience from the private, public and third sectors.

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