Commissioners Board Meeting

Thursday 5th November 9:30am

Online

Agenda

Item no.	Item	Paper no.	Action	Lead
1.	Welcome/Apologies	-	-	Michael Russell
2.	Declarations of Interest	-	-	All
3.	Minutes of previous meeting- 1st Oct 2026	1	For Agreement	All
4.	Commissioners Updates	-	For information	Commissioners
5.	Scottish Government Update	-	For information	Anna Densham
6.	Annual Report & Accounts 2025/26: External Audit Report Draft Annual Report & Accounts	2 Annex A Annex B	For Agreement	Nikki Nagler
7.	2026/27 Budget Update	3	For Information	Nikki Nagler
8.	Annual Risk Review Annex	4 4.1	For Discussion	Hamish Trench
9.	Rural Land Market Data Report (Summary of Findings)	5	For Discussion	James MacKessack-Leitch & Julie Rostan

10.	Land Data Workstream Update Annex	6	For Discussion	Kathie Pollard
11.	Landowner Leadership Group Update	7	For Agreement	Uwe Stoneman
12.	Land Reform Act Implementation Update	8	For Information	Hamish Trench & Gemma Campbell
13.	AOB	-	For Discussion	All

Immediately after the board meeting there will be a board discussion on the Scottish Government consultation on community engagement obligation and holdings in scope.

Date of next meeting:

Thursday 3rd December

An Lochran, Inverness

Followed by an all staff/board workshop

Minute of the meeting of the Scottish Land Commissioners held on Thursday 1st October 9:30am at An Lochran, Inverness

- **Commissioners present:** Michael Russell, Craig Mackenzie, Deb Roberts, Lucy Beattie
- **In attendance:** Hamish Trench, Nikki Nagler, Katherine Pollard, Kayleigh Wilson, Ellen Grant, Peter MacDougall, Gemma Campbell
- **Apologies:** Rob Black
- **Declarations of interest:** None

1. Minutes of previous meeting- Thu 6th Aug

The board agreed the minutes from the 6th of August were true and accurate.

Hamish provided an update on the actions from these minutes. The quarterly reporting format from finance will be developed once new staffing is in place. The strategic plan has now been approved and published. Uwe will bring the terms of reference for the responsible land ownership leadership group to the November board meeting.

2. Commissioners Updates

Rob was unable to attend the meeting due to sickness.

Michael provided an update on his recent activities, including Scottish Government meetings for the recruitment of the new Land and Communities Commissioner which remains on the expected schedule.

Michael also highlighted his continued meetings with external bodies and the circulation of the new strategic plan to MSPs.

Commissioners provided updates on relevant recent activity on behalf of the Commission.

3. ARC Chair Report

Craig provided an update from the recent Audit and Risk Committee meeting in September.

The Committee has reviewed the internal audit of GDPR arrangements. Audit recognise that the Commission are managing their responsibilities effectively for an organisation of its size. They also identified opportunities for further development. It was noted that the Commission's requirements are likely to change with regulatory responsibilities.

The Committee discussed the potential need for further investment in technology to support the Commission's developing responsibilities.

Deloitte have provided positive feedback on the Annual Report and Accounts process. The annual report is now completed with the exception of outstanding pension information due from Capita. Nikki will update on this later in the agenda.

The Committee also reviewed the risk register, including risks relating to the public service reform agenda and the availability of sufficient resources.

4. Quarterly Report

Hamish highlighted the significant level of activity undertaken during the quarter, including the publication of work on community ownership, taxation and the Strategic Plan.

Annex A- Delivery

Hamish reported that approximately 80% of activity was on track. Q3 is expected to have fewer publications than Q2 but will be busy in relation to Act implementation, stakeholder engagement and advisory work.

Annex B- Finance

Nikki apologised for an error in the finance report previously circulated to the Board. An updated report had since been issued. Nikki reported a projected underspend of approximately £30,000. Finance and management will continue to review this and allocate spend where necessary. Several significant contracts are currently being awarded and, overall, the financial position remains positive for this stage in the financial year.

Annex C- Risk Management

Hamish advised that the risks associated with the implementation of the Land Reform Act remain high and active. Staff turnover due to changes in the finance team has also been identified as a rising risk currently.

The Board discussed risks arising from the public service reform agenda, including potential direct and indirect financial implications. Hamish noted that the programme does not currently affect the Commission directly in relation to proposed structural changes but highlighted opportunities relating to land data, public land ownership and local government reform.

Hamish also advised that recruitment for the Finance and Business Systems Lead post is underway with interviews having just taken place on Tuesday.

Annex D- Communications

Nikki reported an 8.5% increase in website traffic, with tenant farming featuring among the three most visited areas of the website. Increased use of video content had

contributed to higher levels of engagement on Instagram, while performance against LinkedIn targets remained on track.

Overall communications activity was lower than during the previous year, reflecting the significant volume of communications undertaken in relation to the Land Reform Act during that period.

Nikki highlighted ongoing work to develop owned content, including blogs, and reminded the Board that the consultation on the Gaelic Language Plan closes this month.

The Board discussed communications performance indicators and agreed that it would be helpful for future reporting to provide additional context against baseline measures where appropriate.

Action 261001.01	Nikki & Scarlett to provide additional context to comms performance indicators in future reports

Annex E- Good Practice

Gemma provided an update on Good Practice activities undertaken during the quarter. It was noted that case numbers were slightly lower than expected, noting that the report figures have been extracted early for reporting purposes.

The primary theme emerging from enquiries related to diversification of ownership and tenure. Several enquiries received fell outwith the Commission's remit and required referral to other organisations.

Gemma also highlighted the increase in AI formatted emails received and flagged the potential confusion it can create in terms of people's expectations about our remit.

Annex F- Tenant Farming

Peter provided an update on tenant farming activity. Although figures had been extracted before the end of the usual reporting period, enquiry levels were reported to be approximately double those received during the corresponding period of the previous year.

Casework activity had also increased significantly across both Q1 and Q2, rising from 35 to 60 cases.

5. Tenant Farming Work Programme Update

Hamish introduced the update, highlighting the increased resources allocated to the tenant farming programme, the improvements being made to our data and reporting and the proactive approach being developed by Peter and Ellen.

Peter and Ellen reflected on the strong engagement over this year and the increasing complexity of casework which can often involve multiple issues. Peter highlighted the ongoing challenge of ensuring TFC support can reach those most in need, who often may not be connected through online or stakeholder networks. Ellen is delivering a programme of improvements to communications and reach of our tenant farming work. Examples include a tenant farming newsletter and guidance materials for the mediation scheme.

The team is developing its approach to data, research and project prioritisation, supported by the new Tenant Farming SharePoint system. Work on improving data on tenant farming is being taken forward with colleagues in the policy team, connecting to the Commission's wider workstream on improving land data.

The Board discussed the context for the ongoing decline in use of agricultural tenancies, and some of the significant data gaps and challenges in information provision, for example in relation to rents. The board welcomed opportunities identified to improve data and information building on our existing rural land market reporting, as well as working with Scottish Government on sector-wide data.

The board agreed that the Commission as a whole has a role, in support of the TFC functions, to consider the long-term direction of the tenanted sector in context of land ownership and tenure overall. Commissioners discussed the importance of looking at ways to open up more tenancy options in the context of the Commission's focus on new land opportunities.

The board welcomed the opportunity of a more in-depth discussion on tenant farming, and thanked Peter and Ellen for the work highlighted.

6. Land Reform Act Implementation Progress Report

Hamish provided an update on implementation of the Land Reform Act. He highlighted the strategic risks, recent delivery progress and Scottish Government's planned consultation on the community engagement obligation. The Commission will respond to this consultation and board discussions on this are scheduled for November and December.

The board noted in particular that ongoing uncertainty about government's implementation timetable for Part 2 impacts the Commission's resource planning for 2027/28.

7. Annual Report & Accounts 2025/26

Nikki reported that the annual report and accounts are complete with the exception of accurate pension information which has not yet been provided by Capita. Our external auditors have confirmed that this is an issue affecting multiple public bodies and that they are not yet satisfied that Capita is providing accurate information. Initial advice from Audit Scotland to auditors has been that annual report and accounts should not be signed off until auditors can be satisfied they have received the correct pension

information. This may impact the statutory deadline for submission of the annual report to parliament if not resolved soon. Nikki confirmed that sponsor team are aware of this and the risk to the submission date.

The board noted the outstanding issue and that it is out with the Commission's control. The board asked Nikki to ensure that every effort is made to obtain the necessary information, and if it is not provided by Capita, to seek written confirmation of Audit Scotland's advice and our auditor's decision. The board asked that they be kept informed.

Action 261001.02	Nikki to get written clarity if unresolved from Audit Scotland & Deloitte

8. AOB

Kayleigh reminded commissioners to send in their travel requests for the next in person board meeting in December.

Action 261001.03	Commissioners to send Kayleigh travel requests for December board in Inverness

Kathie updated commissioners on the award of a contract to review the impact of our rural land market reporting.

Kayleigh also spoke about the 2027 board calendar, she will send out the new dates for meetings to commissioners and asked if they could confirm their suitability. The Feb 2027 meeting will be a Tuesday and all others in the year will be on a Thursday.

Action 261001.04	Kayleigh to send 2027 board calendar to commissioners and commissioners to confirm date suitability

The next board de-brief session will take place on Tue 6th Oct at 11am with Michael and Deb. Lucy confirmed she will do the next board de-brief session.

Staff left the meeting at this point, and the board/management team held a board self-assessment review discussion.

Date of next meeting:

Thursday 5th November

Online

Commissioners Meeting 5 November 2026

Online

Paper No. 2

Annual Report and Accounts 2025/26

Purpose	To approve the annual report and accounts for 2025/26
Previous board papers	-
Action required	For agreement

The Audit and Risk Committee has recommended to the board that the annual report and accounts for 2025/26 be approved.

In doing so, Commissioners are asked to consider the annual audit report and opinion provided by our external auditors, Deloitte, in particular the key messages set out in section 1.

The accompanying papers include:

- Annex A: External Auditors Report
- Annex B: Draft Annual Report and Accounts

When approved by the board, the annual report and accounts will be signed on behalf of the Commissioner and our external auditor, and submitted to Parliament ahead of the required deadline.

Nikki Nagler

Head of Corporate Services and Communications

Scottish Land Commission
Coimisean Fearainn na h-Alba

Annual Report and Accounts

2025/26



Annual Report and Accounts 2025/26

Laid before the Scottish Parliament in pursuance of Section 20 Schedule 2, paragraph C of the Land Reform (Scotland) Act 2016.

Scottish Land Commission
Coimisean Fearainn na h-Alba

To the Right Honourable John Swinney
His Majesty's First Minister

Dear First Minister

We have the honour to present the seventh Annual Report and Accounts of the Scottish Land Commission covering the year 2025/26.

Yours sincerely

Michael Russell, Chair

Hamish Trench, Chief Executive

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Performance Report





Overview

The performance report provides a summary of the Scottish Land Commission (Commission), our purpose, objectives and performance over the year as well as the impact and management of key risks facing the organisation.

Foreword

From the Chief Executive and Chair of the Scottish Land Commission

This has been a landmark year for the Scottish Land Commission and for Scotland's land reform journey.

The passing of the Land Reform (Scotland) Act 2025 marked the beginning of an important new phase for the Commission, bringing new responsibilities and paving the way for the introduction of a new Land and Communities Commissioner. Throughout the year, the Commission played a key role in supporting parliamentary scrutiny of the Bill, providing practical advice to help strengthen its impact and support effective implementation. Following the Act's passage, work began to prepare the organisation for its expanded role and the significant opportunities ahead.

Alongside this, we delivered ScotLand Futures — one of the Commission's most ambitious programmes of public engagement to date. Through public meetings across Scotland, stakeholder engagement, invited contributions and a national survey that received more than 1,200 responses, we heard a strong and consistent message: people want land to play a greater role in supporting homes, jobs, communities, climate action and economic opportunity.

The programme also highlighted a clear desire for a more coherent and long-term vision for land reform in Scotland. Drawing on this engagement and our wider programme of research and evidence, we published ScotLand Futures: Next Steps for Land Reform, helping to set out a practical direction for the future.

The Commission also continued to deliver practical impact across Scotland through our Good Practice Programme and the work of the Tenant Farming Commissioner. We supported communities, landowners, tenants and advisers through a wide range of cases, refreshed our Good Practice Protocols to ensure they remain accessible and relevant, and continued work to strengthen fairness, transparency and collaboration in the management of land.

During the year we provided advice to Ministers on land-related tax reform, including work linked to the exploration of a carbon land tax, published new research on international approaches to land valuation and taxation, continued our annual reporting on the rural land market, and supported Scottish Government's review of Community Rights to Buy. We also launched a renewed website, improving access to the Commission's research, guidance and advice.

As the Commission prepares for the next phase of its work, we have also invested in strengthening our organisation, including through management development and a programme of organisational development with staff to ensure we are well placed to deliver our expanded responsibilities in the years ahead.

Looking forward, our focus will be on helping to ensure Scotland's land reforms deliver practical benefits for people and communities across the country. The Commission will continue to provide independent advice, robust evidence and practical leadership to support a fairer, more transparent and more productive relationship between Scotland's people and its land.



Michael Russell
Chair
Cathraiche



Hamish Trench
Chief Executive
Ceannard

Who we are

The Scottish Land Commission is a non-departmental public body (NDPB) established on 1 April 2017 by the Land Reform (Scotland) Act 2016. The Commission has five Land Commissioners and one Tenant Farming Commissioner, all of whom are appointed by Scottish Ministers. The organisation is based in Inverness and employs a team of 18 staff (as of 31 March 2026) led by Chief Executive Hamish Trench. We are fully funded by the Scottish Government with a budget of £1.680m for 2025/26.

The Scottish Land Commission

Organisational structure

Board of Commissioners

CEO (Accountable Officer)

Management Team

Staff



The Commissioners (left to right): Rob Black (Tenant Farming Commissioner), Dr Calum MacLeod (Land Commissioner)*, Professor Deb Roberts (Land Commissioner), Michael Russell (Chair), Dr Lucy Beattie (Land Commissioner) and Dr Craig Mackenzie (Land Commissioner).

* Dr Calum MacLeod notified his resignation from the Commission in March 2026, effective May 2026.

What we do

The role of the Scottish Land Commission is to stimulate fresh thinking and change in how Scotland owns and uses land and advise Scottish Government on an ongoing programme of land reform. As well as providing advice and recommendations for law and policy, we provide leadership for change in culture and practice.





Strategic outcomes

We are focussed on achieving meaningful, long-term outcomes for people, power and prosperity. Delivering these will mean more people are empowered, misuse of power where it occurs is challenged and opportunities for prosperity are unlocked. The outcomes will help to achieve the progressive realisation of economic, social and cultural rights that drive Scotland's approach to land reform.

We work to achieve the following outcomes:

People

People participate in and influence decisions about how land is used.

Power

Power and control in land is shared more widely through diverse ownership and governance.

Prosperity

The value and benefits of land are used fairly to create economic prosperity and wellbeing.

We will deliver our strategy by doing the following:

- **Advising on reforms to law, policy and practice:** we will provide evidence, analysis and advice to Scottish Ministers, Parliament and stakeholders.
- **Supporting practical implementation of Scotland's Land Rights and Responsibilities Statement (LRRS):** we will provide advice and guidance to help people and organisations implement the LRRS principles including through the delivery of the Good Practice Programme.
- **Promoting good relations between agricultural landlords and tenants through the functions of the Tenant Farming Commissioner:** we will support the delivery of statutory functions of the Tenant Farming Commissioner, seeking synergies with our wider work programme.
- **Engaging people in why land matters and how they can be involved:** we will involve the public and stakeholders in our work, build collaboration and use our convening role to bring different expertise and perspectives together with a shared focus.

How we do it

We deliver our strategic plan and outcomes through:

- Research and policy advice: providing evidence, analysis, advice and recommendations to Scottish Minsters, Parliament and stakeholders;
- Leading change in practice: providing clear expectations and support to help people and organisations implement Scotland's Land Rights and Responsibilities Statement;
- Supporting the Tenant Farming Commissioner: delivering the statutory functions to promote good relationships between agricultural landlords and tenants;
- Engaging stakeholders and the public in shaping our work and increasing the impact of what we do.

In 2025/26 we continued to deliver on our 2023-26 strategic plan. The Commission conducted research and analysis, public engagement and events, making recommendations for significant changes in law and policy, as well as supporting more immediate changes in culture and practice.

We published a refreshed Programme of Work on 1 April 2025 which guides our prioritisation over the second 18-month period of our current strategic plan. Our business planning for the year ahead sets out how we deliver on the programme of work and allocate our resources.

Our structure of delivery

The Scottish Government's National Performance Framework sets out how we report on our plans for delivery and is set out below:

- **Framework agreement with Scottish Government:** defines the key roles and responsibilities that support our relationship with Scottish Government.
- **Strategic plan:** Outlines the priority areas of work for a three-year period.
- **Programme of Work:** sets out how we will deliver the strategic plan.
- **Business plan:** details how we will use our resources each year to achieve the Programme of Work.

Our annual business plan for 2025/26 saw a number of significant pieces of work conclude and new areas of work begin, all guided by stakeholder and public engagement. The progression and completion of the outputs contributed to the annual business plan, strategic outcomes and Scottish Government National Performance Framework outcomes.

The Scottish Government's National Performance Framework sets out the high-level national outcomes to make Scotland a better place to live and a more prosperous and successful country.



We contribute to

The outcomes set out on page 10 contribute to the following Scottish Government national performance framework outcomes and the United Nations sustainable development goals.

Scottish Government national performance framework outcomes:









United Nations sustainable development goals:



- Sustainable cities and communities
- Reduced inequalities
- Climate action
- Life on land
- Decent work and economic growth

This year has been one of proactive work and responding to the changing external environment, following the introduction of the 2025 Land Reform Act. Despite the ever-changing landscape, the Commission has remained agile in its approach. Regular management and organisational meetings have allowed us to review our priorities and capacity, making necessary adjustments to timelines and work planning to ensure successful delivery of key outputs aligned with our business and strategic plan. As a result, we accomplished 85% (94% 2024/25) of our planned outputs outlined in our annual business plan. We delivered our business plan within 0.57% (1% 2024/25) of our annual budget, well under our target of 2% (2% 2024/25).



We delivered our business plan within 0.57% of our annual budget, well under our target of 2%.

Key issues and the risks we face

This year the key risks we face centred on the implications of the 2025 Land Reform Act for the resourcing, delivery and relationships of the Commission. Changes to our strategic risk register reflect the risks associated with Act, including the risks of resource allocation, the implications of delay or uncertainty in implementation timetable, and the risks to stakeholder relations.

During the year we continued to engage with government on the expected implementation timescale and cost implications for the Commission. The appointment of a new Land and Communities Commissioner is expected to be in early 2027/28 and most direct costs of implementing Part 1 of the Act are expected to begin from that financial year onwards.

Implementation of Part 2 of the Act (tenant farming) will impact earlier, with an extended scope for the Tenant Farming Commissioner functions. Within 2025/26 we agreed to increase resourcing to the Tenant Farming Commissioner functions. The terms of the Tenant Farming Commissioner's appointment were changed to increase the number of days allocated to 12 per month and we agreed to recruit an additional member of staff to support tenant farming work, to be appointed in 2026/27.

We undertook work to identify the likely implications of implementing the Act, albeit that the timetable and exact requirements for the Commission are not yet clear. This preparation will continue and develop through the next financial year as Scottish Government's implementation plans firm up. We have put in place regular board review of progress and risks associated with Act implementation and our business plan for 2026/27 has identified the initial workstreams that are priorities. Our internal auditors have also reviewed our preparation for the Act implementation within the audit programme for the year.



We consider the following issues will have the greatest influence on the way we work over the next year.

Key risk	Description	Mitigation
Costs associated with Land Reform Act implementation	Risk that resource allocation does not reflect the additional costs of implementation	• Early identification of expected costs and timings; • Close engagement with sponsor team • Ability to adapt resource allocations in-year.
Priorities of a new administration following Scottish election	Risk that Commission finds difficulty in adapting to changing Scottish Government priorities	• Early engagement with new Ministers • Ability to adapt priorities in-year • Development of new strategic plan post-election
Timetable for implementation of Land Reform Act	Risk that delays or uncertainty in government's implementation timetable impacts delivery, finance and stakeholder relations	• Close liaison with sponsor team; • Scenario and programme planning • Regular and clear communications with stakeholders about role of SLC
Constrained public finances	Risk that cost pressures in public finances and the economy impact the ability to undertake new statutory functions effectively.	• Medium term financial planning • Prioritisation of statutory and high-impact work • Seeking collaboration and external funding opportunities where appropriate

The Commission has sought to mitigate these risks through our risk management framework, budget management, relationship management and keeps them under regular review through Audit and Risk Committee (ARC) and board. We maintain close liaison with our sponsor team in Scottish Government and are putting in place a joint working plan for the Act implementation that will help provide clarity of roles and responsibilities.

Further detail on our risk management in 2025/26 can be found in the performance analysis (page 18) and Governance Statement (page 48).


1,236 people took part in our ScotLand Futures initiative from communities across Scotland.

Performance analysis

The performance analysis reviews the work of the Commission in 2025/26, including our delivery, performance and our financial position at the end of the year.

What we have achieved

Our annual business plan sets out for each financial year the way in which the Commission will deploy its resources against priorities. This was kept under close review as the Land Reform Bill was introduced.

Our business plan for 2025/26, is focussed on delivering the commitments of our 2023-26 strategic plan. The plan, sets out our intended workstreams, setting out the focus and outputs for the year.

We delivered our statutory obligation to support the Tenant Farming Commissioner's functions and the relevant Ministerial commitments.

Delivery of our business plan is monitored and reported throughout the year in our quarterly progress reports to the Board including performance against our agreed Key Performance Indicators (KPIs). The workstreams detail each area in turn and show how actions in the business plan support the strategic plan's long-term outcomes.

The majority of KPIs have been achieved (see table on pages 19-20). 85% of our planned outputs have been delivered, narrowly missing our target of 90%. This reflects the strategic decision for the Commission to reprioritise some work in order to respond to advice required on the Land Reform Bill and preparations for the Land Reform Act.

The Commission has robust financial management controls, including budget profiling and monitoring to ensure underspend or overspend is identified as early as possible so it can be addressed. During the year, the implementation of new finance and IT systems strengthened financial monitoring and reporting, supporting more effective budget management. The Commission continues to make good progress in managing its spend to deliver across its key areas of work (see highlights on pages 21-29). This year we achieved an end of year out-turn with a 0.57% underspend of our total budget, against a target of 2%. Medium term financial planning was considered in the development of the annual business plan.

There are a number of risks and uncertainties facing the Commission in achieving its KPIs due to the need to move quickly to support the implementation of the Land Reform Act and development of secondary legislation. These risks are closely monitored and managed through the risk management framework and reviewed by the Audit and Risk Committee and our Board (see Governance statement – Risk and control framework on pages 48 and 53).

Key performance indicators

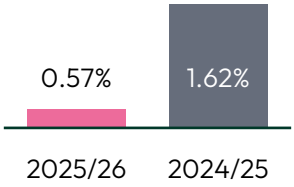
FINANCE

2025/26 target

End of year out-turn to be within 2% underspend of total allocated budget

Measured by

Percentage level of year-end spend against budget allocated



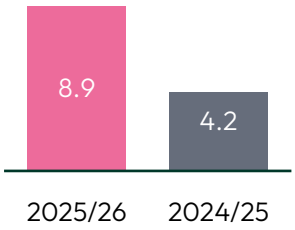
STAFF WELLBEING

2025/26 target

Level of staff absence to be below national average (6.3 days pre-pandemic figures)

Measured by

Average number of days sickness absence per employee



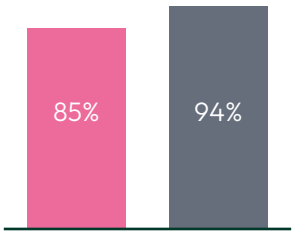
DELIVERY

2025/26 target

Delivered 95% of outputs identified in the annual business plan

Measured by

Percentage number of outputs delivered and completed as detailed in the annual business plan



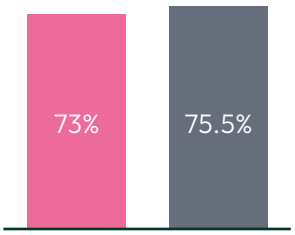
STAFF WELLBEING

2025/26 target

Increase in staff recommending the Commission as a place to work

Measured by

Satisfaction ratings in the staff survey



NOTE: charts indicate year on year difference and are not comparable to one another.

Key performance indicators

DELIVERY

2025/26 target

Project evaluations identify impact and change in approach by stakeholders as a direct result of the Commission's work

Measured by

Project evaluation surveys identify over 60% of respondents as acting on what they have learnt through event/engagement or able to identify a positive impact arising as a result of our work.

2025/26 Achievement

96% of the agents who joined our online training said they would recommend it to a colleague.

96% also said that the training provided useful information.

2024/25 Achievement

95% of respondents to the survey from our national conference felt it improved their understanding of the opportunities for inclusive land ownership

77% of respondents to the survey from our national conference said they would make changes to their professional practice as a result of attending

Note: The increase in average sickness absence reflects a small number of longer-term absences. Given the Commission's relatively small workforce, individual cases can have a proportionately greater impact on overall absence figures than in larger organisations.

COMMUNICATIONS ACTIVITY 2025/26

2025/26 target

Increased profile of the Commission

Increase media coverage by 5%	Increase social media followers by 48%	Increase newsletter subscription by 10%
230	2,447	2,769
-28% from previous year	+38% from previous year	+23% from previous year

Note: Media coverage was lower than the target for the year. This reflected a combination of a lower volume of media-led publications and a challenging external news environment, with national and international events reducing opportunities for coverage of land reform issues.

Throughout 2025/26 we have published reports and proposals on major areas of work; advice to support the introduction of the Land Reform Act 2025, significant work to support Minsters' ambition that investment in natural capital should benefit local communities, and a wide range of advice to landowners, managers and communities to support the practical implementation of Scotland's Land Rights and Responsibilities Statement. Here are some of our highlights from year.

Advising on reforms to law, policy and practice

As well as providing advice on the Land Reform Bill during its parliamentary consideration, we also looked beyond this to engage widely on the longer-term direction and outcomes of land reform. Through ScotLand Futures, we sought public, stakeholder and expert views on what it would look like to complete Scotland's land reform journey. We heard a desire for further changes as well as for more confidence and clarity in how land reform is delivered. Our publication 'ScotLand Futures: next steps for land reform' offers a basis for a co-ordinated programme of reforms.

We undertook work on potential tax reforms, including advice to Ministers following their commitment to explore options for a carbon land tax. We commissioned research to learn from experience in taxing land, both internationally and in Scotland's previous changes to sporting rates, and we published advice on steps that would give a future government more effective options in taxing land.

We convened an advisory Reference Group to support Scottish Government's review of Community Rights to Buy, we undertook work to assess barriers to further community land ownership and we continued to publish our annual series of reporting on the rural land market.

Supporting practical implementation of Scotland's Land Rights and Responsibilities Statement

We continued to work with land owners, managers and communities to support practical implementation of the principles in Scotland's Land Rights and Responsibilities Statement, working with 89 cases (89 cases 2024/25) through the year. This work supports good outcomes in community engagement, transparency and opportunities for collaboration, in some cases helping parties resolve a difficult situation.

This year we published a refreshed set of Good Practice Protocols, updating and simplifying these protocols, which set out the expectations of responsible practice. We have also continued to engage proactively with professional advisers, particularly land agents. We began a pilot project to explore how recognition might be provided for land owners that demonstrably meet agreed good practice criteria and this work will continue in the next year.

We have continued to support implementation of community benefit from natural capital and land, working in partnership with the Cairngorms National Park Authority through a project post and supporting the Community Benefits from Nature Partnership led by Community Land Scotland.



Communications

During 2025/26, the Scottish Land Commission placed a strong emphasis on improving how people access, engage with and contribute to discussions on land reform. This was delivered against a backdrop of a reduced communications budget, requiring a more focused and strategic approach to how we prioritised activity and reached our audiences.

A key milestone was the launch of our redesigned website, which has made it significantly easier for users to find and navigate our wide range of publications, advice and guidance. This has helped ensure our work is clearer, more accessible and better tailored to the needs of those engaging with land reform.

The year was also defined by the delivery of our ScotLand Futures initiative, an ambitious programme of engagement inviting people across Scotland to reflect on what completing the land reform journey could look like. The initiative generated over 1,200 survey responses from individuals and organisations, capturing a diverse range of views. In parallel, we published contributions from 20 leading voices across the sector, offering expert perspectives on the same theme.

These strands of work informed Next Steps for Land Reform, which sets out a clear and practical roadmap for the future of land reform in Scotland. The report draws directly on the ideas and evidence gathered through ScotLand Futures, ensuring it reflects both public perspectives and expert insight.

Alongside this, we continued to strengthen our direct communications. Our mailing list saw sustained growth over the year, increasing our ability to share updates, promote our work and maintain regular contact with a growing network of stakeholders and interested audiences.

57

Spoke at and participated in 57 events held by partners and stakeholders.

2,722

Over 2,722 people attended these events from across the UK.

8

Held 8 stakeholder meetings and webinars.

638

638 people attended meetings across Scotland.

ScotLand Futures

ScotLand Futures, delivered during 2025/26, was the Commission's biggest public conversation on land reform to date, asking people across Scotland what completing that journey should look like and what it should deliver. Building on more than 25 years of land reform activity, we invited individuals, communities, landowners, managers and organisations to share their views through a national survey, public meetings held across the country, and invited contributions. We heard from over 1,200 people, including community leaders, landowners and managers, campaigners, researchers, young people and practitioners.

What we heard

In November 2025 we published What We Heard: A National Call for Change, summarising the main themes from the engagement, alongside a companion piece, Voices from Scotland, capturing personal perspectives from contributors in their own words. Key findings included:

- 96% of respondents said Scotland needs further change in how land is owned and used.
- Around a quarter of respondents (24.4%) felt that ownership, and the power that comes with it, remains too concentrated.
- Around one in five (21%) wanted those who own significant areas of land to be part of the communities their decisions affect.
- More than one in ten (13%) said they feel locked out of decisions about how land in their area is used.

From listening to action

ScotLand Futures directly informed the Commission's advice on land use change, community benefit and the shape of future reform priorities. It culminated in the publication of Next Steps for Land Reform, a policy roadmap setting out three priorities for the next phase of reform: opening up land ownership opportunities, rebalancing power so land ownership works for the public good, and shaping change locally by putting people at the heart of land use decisions.

Looking ahead

The insights gathered through ScotLand Futures will directly shape the Commission's new three-year Strategic Plan and our advice to Scottish Ministers as the Land Reform (Scotland) Act 2025 is implemented, ensuring our future work programme continues to reflect what people across Scotland have told us matters most.

Tenant Farming Commissioner

A successful and resilient tenant farming sector depends on constructive relationships between tenants and landlords, supported by professional and fair conduct from intermediaries acting for both parties. These relationships must be grounded in mutual respect, shared values, and a commitment to fairness and reasonableness.

Over the past year, the Tenant Farming Commissioner (TFC) has continued to promote and support these principles, working across the sector to encourage good practice, provide clear guidance, and help resolve issues where they arise. To date, seven codes of practice have been published to support constructive relationships in the tenant farming sector. These codes are designed to guide the behaviour and processes involved in interactions and negotiations between tenants and landlords, including the role of agents and intermediaries acting on their behalf.

Over the past year, the Tenant Farming Commissioner (TFC) has continued to provide advice and support to both landlords and tenants on how to implement the codes effectively in practice.

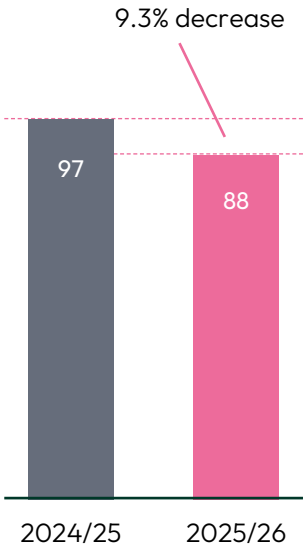
Key activities delivered during the year include:

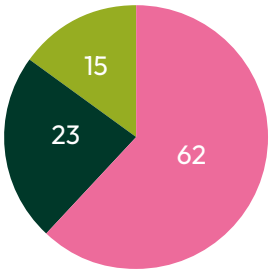
- **Working through the Land Reform Bill:** The TFC played an active role in working through the disputes and discussions that arose as the Land Reform Bill progressed through Parliament, helping to ensure the perspectives and concerns of both tenants and landlords were heard and reflected as the legislation took shape.
- **Maintaining an increased level of casework:** Despite the additional demands of the Bill process, the TFC maintained an increased level of casework over the year, continuing to provide advice and support to tenants, landlords and their representatives on a wide range of issues.
- **Policy engagement:** The TFC worked closely with the Tenant Farming Advisory Forum (TFAF) to feed sector feedback into the Scottish Government's development of the Land Reform Act.
- **Reaching agreement on a Charter for TFAF membership:** The TFC reached agreement on a Charter setting out the terms of membership for the Tenant Farming Advisory Forum, providing a clearer and more consistent basis for how the Forum operates and how its members engage with one another.
- **Stakeholder communications:** Through newsletters and blogs, the TFC shared updates and insights on emerging issues — including the importance of better sector data and the most common concerns raised by stakeholders — helping to raise awareness and build capacity across the sector.

- **Demonstrating the need for increased resourcing for the Office of the TFC:** Through the volume and complexity of work delivered during the year, the TFC built a clear evidence base for increased resourcing for the Office of the TFC, supporting the case for the additional capacity agreed for 2026/27.

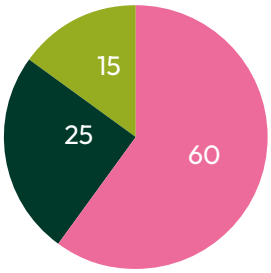
Casework

The TFC provides information to tenants and landlords regarding the codes of practice. During 2025/26 the TFC received 88 cases, which is a 9.3% decrease on the previous year. It is normal to see some variation in the number of enquiries received each year. During the year, we also continued to improve the accessibility of self-help resources and guidance through our website. The enquiries received by the TFC continue to include complex cases that require detailed advice and support. We also expect that changes to our reporting process will result in an increase in the number of recorded enquiries next year. We are also now seeing enquiries from community groups (3 cases), which is a new trend.

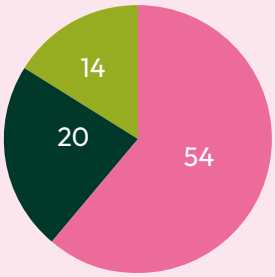




2023/24



2024/25



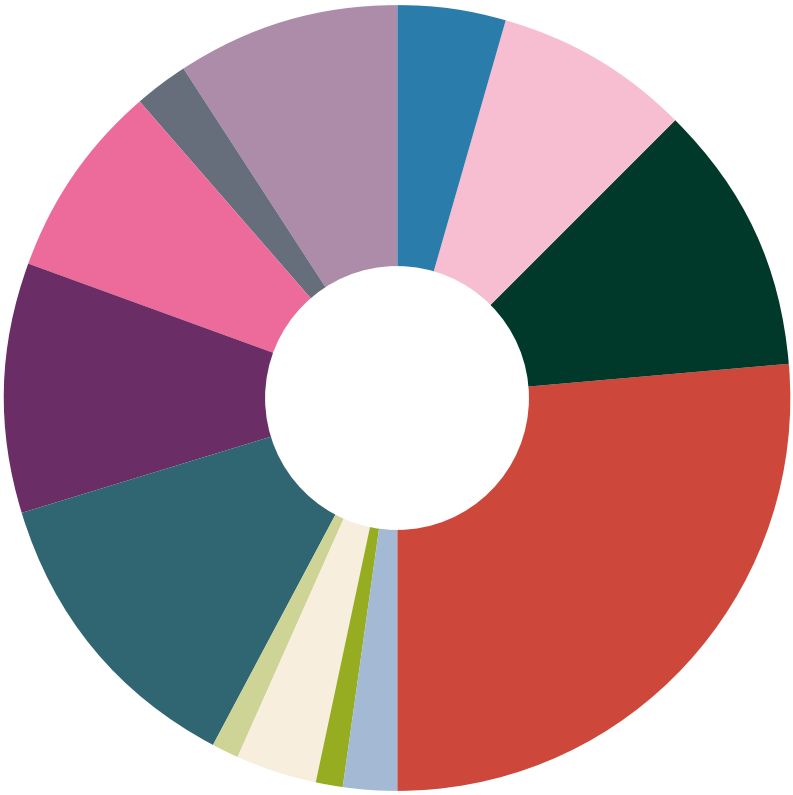
2025/26

Most contacts have been made by tenant farmers and their representatives (61%), with enquiries from landlords and their representatives accounting for a quarter of enquiries (23%) and other professionals representing 16% of enquiries.

- Tenants and tenants' representatives
- Landlords and landlords' representatives
- Other

Type of enquiry 2025/26

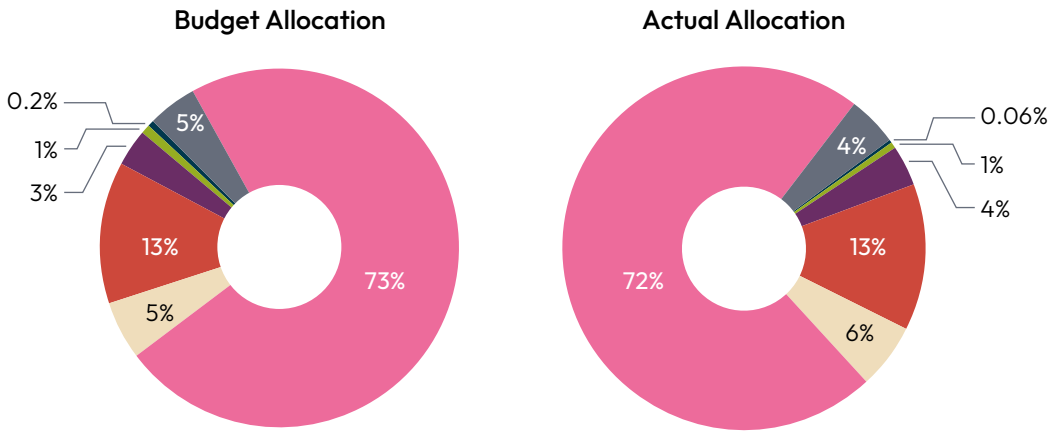
A wide range of enquires has been received by the TFC over the last year with a majority seeking advice on rent reviews, relinquishment and tenancy or lease terms. As in previous years, enquiries have been received from across Scotland, with Aberdeenshire and Perth and Kinross having the greatest number of new contacts.



Agent Behaviour	4	Other	1
Assignation/Succession	7	Relinquishment	11
End of tenancy	10	Rent review	9
General legislation	23	Sporting	7
Irritancy	2	Tenant's improvements	2
Lease Terms	1	Waygo	8
New tenancy/Renewing tenancy	3		

Financial position

In 2025/26, the Scottish Government allocated the Scottish Land Commission a budget (known as Departmental Expenditure Limit or DEL) of £1.680m. The Commission generated an additional £138k in income through externally funded, programmed work. The Commission operated within its DEL of £1.680m and additional income of £138,404. The final out-turn shows a year end surplus of £10k against Grant-in-Aid and other income.



2025/26	Budget allocation	Actual allocation	Percentage difference
Commissioners' costs	83,648	79,546	4.90% ↓
Staffing costs	1,316,895	1,309,833	0.54% ↓
Communications and events	95,702	104,838	9.55% ↑
Corporate Services	232,925	234,167	0.53% ↑
Research & Policy	62,183	68,694	10.47% ↑
Support and Advice (Includes FIRNS & CNPA Partnership)	16,500	10,000	39.39% ↓
Tenant Farming Commissioner	5,100	1,200	76.47% ↓
	1,812,953	**1,808,278**	0.26% ↓

↓ Underspend ↑ Overspend

In programming the budget, we deliberately maintained some flexibility to accommodate changing priorities and resource adjustments. By the mid-year review, our planned expenditure was on track, and additional programme spend was made available due to efficiencies in communications, corporate services and staffing changes.

Our planned staffing costs remained within expected limits despite agreeing a new two-year pay award which consists of 4% in 2025/26 and 3.5% in 2026/27 in line with national pay policy. Due to increased flexibility, the Commission was able to conclude work on the development of its new corporate website, which brought actual spend on communications and events higher than the original allocation. We were also able to invest in staff training and organisational development.

Financial overview

On an income and expenditure basis, the financial outcome for the year on normal business activities was an underspend against total income of £10k. During the year, the Commission made full use of its Grant-in-Aid allocation, thanks to careful budget monitoring and flexible business planning. The Commission received £1.680m of its Grant-in-Aid allocation from the Scottish Government; net expenditure against this was £1.808m. Together with other income received during the year of £138k (noted below), this resulted in an underspend of £10k against total income.

Summary of out-turn	2025/26 £000	2024/25 £000	2023/24 £000
DEL Budget	1,680	1,615	1,559
Total operating expenditure	(1,808)	(1,645)	(1,475)
(deficit)/surplus against budget	(128)	(30)	84
Grant-in-Aid (GIA) draw down	1,680	1,615	1,535
Other income	138	51	-
Surplus against GIA draw down	10	21	60

Other income comprises reimbursement for a staff secondment, partnership funding received to deliver joint work with external organisations, and additional funding from the Scottish Government to support specific project work.

Other income is represented below:

- **KLTR secondment** - £46,383
- **CNPA partnership** - £59,346
- **Scottish Government refund** - £32,675



96% of respondents said Scotland needs further change in how land is owned and used.

Our organisation

Now in our ninth year, the Scottish Land Commission continues to grow and adapt as we deliver our third Strategic Plan. In a changing policy and financial environment, we remain focused on being a responsive, forward-thinking organisation.

Organisational development



Strengthening our leadership and management

During the year we strengthened the Commission's leadership capacity to prepare for the next phase of land reform and the expansion of our statutory functions. This included restructuring our management team to create a new Head of Policy role and recruiting to a refreshed Head of Practice and Advice post. Together, these changes provide a stronger foundation for the significant responsibilities and opportunities ahead.



Finance management and cyber security

We continued to strengthen the systems and infrastructure that support the organisation. A change in finance systems improved financial reporting and management, helping provide greater oversight and resilience by moving to a more accessible platform with live reporting. We also renewed our Cyber Essentials Plus accreditation, reinforcing our commitment to maintaining strong cyber security standards. All Board members and staff completed cyber security training during the year.



Communications and Information

A major milestone during the year was the launch of the Commission's new website. The new platform significantly improves accessibility and makes it easier for people to access the Commission's research, guidance and advice, as well as get in touch directly for support. It provides a rich, searchable library of the Commission's commissioned research, advice, guidance and publications, bringing together years of evidence and expertise in a single, accessible resource for policymakers, practitioners, researchers and the public. It also addressed resilience risks associated with the previous bespoke website.



Staff training and development

Alongside individual training and professional development, all staff took part in development sessions focused on effective team working and collaboration. We continued our bi-annual staff survey programme, refining the approach in response to staff feedback and strengthening opportunities for staff engagement. During the year we also improved internal communications, increased opportunities for engagement between Commissioners and staff, and delivered further development sessions using the Insights tool to support stronger understanding and collaboration across teams.



Commissioners

Towards the end of the financial year, legislative changes introduced through the Land Reform (Scotland) Act 2025 broadened the Commission's statutory functions. In addition to its existing responsibilities, the Commission's remit has been expanded in relation to matters relating to land, including new functions connected with Land Management Plans, land transfers and community engagement. The Act also provides for the establishment of a new Land and Communities Commissioner, which will further strengthen the Commission's role in supporting responsible land ownership, use and management across Scotland. These changes represent a significant expansion of the Commission's remit and will play an important role in shaping the Commission's next Strategic Plan and future direction.

Risk profile: Summary 2025/26

The Commission's risk profile evolved during the year in response to changes in the external environment and within the organisation. In particular, this reflected the developing context surrounding implementation of the Land Reform (Scotland) Act 2025, alongside ongoing financial and resource planning pressures.

Risks are identified, monitored and managed through the Commission's risk management framework. Strategic risks are overseen by the Audit and Risk Committee, which reviews the strategic risk register at each meeting and undertakes a detailed 'risk interrogation' of a specific risk area during each meeting. The Board also undertakes an annual review of strategic risks and maintains oversight of the strategic risk register through quarterly reporting. Throughout the year, the strategic risk register continued to highlight key risks relating to delivery, reputation, compliance, resourcing and staff wellbeing.

Changes agreed during the year included:

- New: Risk that the appointment of a Land and Communities Commissioner creates unforeseen governance or operational implications;
- New: Risk that delays to, or lack of clarity around, implementation of the Land Reform Bill impacts the Commission's reputation and stakeholder relationships;
- Amended: Risk that the narrative around land reform is perceived as narrow or disconnected from wider public and government priorities;
- Amended: Risk that staff wellbeing is adversely affected by changing priorities, workload pressures or insufficient prioritisation.

The highest-rated risks during the year related to implementation of the Land Reform Act, particularly in relation to resourcing, operational readiness and stakeholder expectations. The Commission also maintained a strong focus on cyber security risk, reporting regularly to the Board and successfully retaining Cyber Essentials Plus accreditation during the year.

Further information on the Commission's governance and risk management arrangements is set out in the Governance Statement on pages 48-59.

Planning ahead

Our business plan for 2026/27 will complete delivery against our current Strategic Plan (2023-26). By September 2026 we will submit to Ministers a new three-year Strategic Plan.

Our 2026/27 business plan recognises the need to address implementation of the 2025 Act, take account of a new government's priorities following the Scottish election, and the need for continued careful financial planning given rising costs, constrained public finances and changing statutory obligations for the Commission.

In relation to Act implementation our priorities include preparation for the appointment of the Land and Communities Commissioner, advice to government on the secondary legislation and scoping the operational approach and implications for the new functions. We will also support the expanded functions of the Tenant Farming Commissioner including smallholdings and lead work requested by Scottish Government to develop a new model lease.

We will engage closely with our sponsor team to develop work on Act implementation and associated resource planning within the next financial year and beyond.

In 2025/26 we will deliver on our Programme of Work through a focus on the following priorities:

People	Power	Prosperity
Providing advice and evidence to support development and implementation of the Land Reform Bill		
Engaging on what the outcome of a 'land reformed Scotland' looks like and the reforms that would achieve it		
More diverse land ownership and governance including community land ownership	Public land leadership: strengthening the role of public land ownership in reforms	A route map for tax reforms supporting land reform and net zero outcomes
Supporting practical implementation of Scotland's Land Rights & Responsibilities Statement		
Supporting good relations between agricultural landlords and tenants		
Sound corporate governance and organisational development		

Sustainable, social and environmental review

The Scottish Land Commission is committed to placing economic, social, and cultural human rights at the centre of our work. This commitment is embedded in our Strategic Plan and guides our programme of work, with a particular emphasis on the progressive realisation of rights through Scotland's land reform framework.

We actively promote equality of opportunity and uphold our legal obligations in relation to race, age, sex, and disability discrimination. Our internal policies and procedures reflect this, ensuring full alignment with Scottish Government expectations on equality, diversity, and inclusion.

Sustainability is embedded in the Commission's organisational planning and decision-making, with our Climate Action Plan providing the framework for reducing the environmental impact of our operations. Progress is monitored through our established governance and performance arrangements, with oversight from the Management Team and Board. Climate and environmental considerations are also reflected in relevant organisational policies and business planning.

Progress on climate action

In response to the Scottish Government's climate emergency declaration and ambitious public sector carbon targets, we remain focused on reducing our environmental impact. Our Climate Action Plan sets out our targets and actions for reducing the environmental impact of our operations, including our route to net zero emissions by 2025 and zero direct emissions by 2030. We monitor our carbon emissions annually to assess progress against these ambitions.

In 2025, the Commission's total emissions were 44 tonnes. This compares to 34 tonnes in 2024 and 30 tonnes in 2023. While the year-on-year change reflects an overall increase in in-person activity, we continue to prioritise emissions reduction through hybrid working, digital meetings, and sustainable travel policies.

Our internal policies on homeworking and travel were reviewed again this year to ensure lasting behavioural change and long-term carbon savings. We are also actively reviewing our delivery progress against our route map to net zero.

Supporting communities and charities

We recognise the value of staff contributing to the wider community. We continue to support colleagues who take part in community or charitable activities. Staff can contribute through the 'Give As You Earn' scheme, donating a portion of their salary to charities of their choice.

Best value

The Commission's Board provides the vision and leadership to ensure that it is satisfied that the organisation is making the best use of public money. We are committed to delivering best value through clear governance and accountability, effective performance management, partnership and collaborative working, maximising efficiencies and building sustainability into how we operate.

The Commission is committed to achieving its efficiency savings and has continued to realise cost savings through ongoing review of our existing IT service provision, HR suppliers and our accounting software, enabling us to deliver more efficient and accessible business planning. The introduction of a new finance and accounting platform has ensured that the Commission not only continues to get best value from its suppliers but also helps to deliver better efficiency in our financial processes.

In delivering best value we are committed to fairness and equality of opportunity and have policies and procedures in place to ensure this is achieved. We also fully recognise our legal responsibilities, particularly in respect of race relations, age, sex and disability discrimination. The Commission is committed to the highest standards of ethical conduct and integrity and to the prevention of bribery and corruption. We have an anti-fraud policy in place and there have been no reported incidents of corruption or fraud.

Accessibility

Improving accessibility remains central to how the Scottish Land Commission communicates and engages with the public. Over the past year, we have focused on embedding accessibility more consistently across our digital presence and strengthening the tools and standards that support inclusive communication. In 2025/26, we have:

- Introduced comprehensive brand guidelines which clearly set out our accessibility standards, supporting consistency and good practice across all communications.
- Delivered staff sessions to highlight the importance of plain English, supporting colleagues to communicate more clearly and effectively in their work.
- Worked closely with staff to make complex land policy more accessible by connecting it to everyday issues such as housing, the environment and the economy.
- Developed a new website that prioritises plain English, helping to make complex land policy more understandable and accessible to a wider audience.
- Integrated Recite Me, enabling users to customise their browsing experience to meet their individual needs, including options for text-to-speech, translation, and visual adjustments.
- Simplified website navigation to ensure users can find relevant information more quickly and with fewer clicks.

Together, these changes reflect a continued shift towards a more accessible, user-focused approach, making it easier for people to find, understand and engage with our work.

Hamish Trench

Chief Executive and Accountable Officer

Date

Accountability Report



Directors' report

This report contains key statements and reports that enable the Scottish Land Commission to meet accountability requirements and demonstrate compliance with good corporate governance.

Board of Commissioners

Full details of the Commissioners' Register of Interest can be found on our website: **www.landcommission.gov.scot**



Michael Russell (Chair)

Michael Russell, served as a Scottish Government Minister and Member of the Scottish Parliament at various times between 1999 and 2021.

He has had a long term involvement with land reform having been Environment Minister from 2007-2009, a member of the Scottish Parliament Committee which scrutinised the Land Reform Bill in 2015 and an MSP for the South of Scotland Region for two terms before being elected in 2011 to serve the constituency of Argyll and Bute where he has lived since 1992. He retired from representational politics in 2021, but remained SNP President until 2023. He is the author of seven books and has worked as a columnist and commentator as well as a television producer and director. He was the founder of the Celtic Media Festival, was part time Professor in Scottish Culture and Governance at the University of Glasgow and is the trustee of a number of charities.



Rob Black
(Tenant Farming Commissioner)

Rob Black runs North West Rural Consulting, offering tailored specialist support to rural businesses.

Previous to this, Rob was a Development Manager for the Isle of Luing Community Trust, where he oversaw projects including the reactivation of Cullipool Slate Quarry, community housing, and net-zero carbon objectives to support economic growth and tackle rural depopulation.

Rob also worked as an Agricultural Consultant, providing technical advice on crofting agriculture, regulatory compliance, and funding applications.



Dr Craig Mackenzie

Dr Craig Mackenzie is a Senior Lecturer at the University of Edinburgh Business School, where he focuses on natural capital and climate finance. He is a non-executive director of Evenload Landscape Recovery Ltd, a farmer-owned project in the Cotswolds.

Craig is also an advisor to the Woodland Carbon Code and DEFRA's Woodland Carbon Purchase Fund. As an academic, he founded the Centre for Business and Climate Change (now BCCaS) at the University of Edinburgh and helped launch carbon management and climate finance MSc programs. He has a PhD in behavioural finance and has published on nature finance, corporate governance and climate topics.

Professor Deb Roberts

Professor Deb Roberts is Deputy Chief Executive and Director of Science at the James Hutton Institute. As Director of Science she is responsible for developing and delivering the Institute's science strategy, for protecting research integrity, and delivering the Institute's commitment to open science. Deb trained as an agricultural economist and, prior to moving into her current position, her research focussed on understanding how agricultural and environmental policies affect economic development and social wellbeing in rural areas. A particular focus was on the factors influencing growth in rural areas and how best to retain the benefits of



developments within the areas in which they are based. Deb holds an Honorary Chair in Real Estate at the University of Aberdeen. She is a past President of the Agricultural Economics Society, a past Director of ClimateXChange, and is currently Chair of the Scottish Environment Food and Agriculture Research Institutes (SEFARI) Directors Executive Committee.

Dr Lucy Beattie

Dr Lucy Beattie started out working in agriculture and then began teaching and researching in the field of agricultural education. Having completed her PhD studies at the University of the West of Scotland. As a former Teaching Fellow in Science Communication at University of Edinburgh she is committed to understanding perspectives that integrating research with public engagement with science. Lucy is currently employed as researcher at The James Hutton Institute and manages a family farm enterprise in the North West



Highlands. Lucy has managed training programs for the Scottish Crofting Federation and worked as a consultant and community development worker with a range of organisations on education and rural development.



Dr Calum MacLeod

Dr Calum MacLeod is Senior Policy and Public Affairs Officer for the Mental Health Foundation in Scotland and a freelance sustainable development consultant.

In 2010 he led post-legislative scrutiny of the Land Reform (Scotland) Act 2003 on behalf of the Scottish Parliament. Formerly Policy Director of Community Land Scotland, Calum has a PhD in public policy implementation and has taught sustainable development and public policy courses at several Scottish Universities. He is a Board Member of MG ALBA (Gaelic Media Service) and was previously a Board Member of the Harris Tweed Authority, championing sustainable, community-focused development.

Management Team



Hamish Trench – Chief Executive and Accountable Officer

Responsible for the strategic leadership and operational management of the organisation and supporting Commissioners in fulfilling their functions.



Nikki Nagler – Head of Communications and Corporate Services

Responsible for leading the Commission's communications and corporate services, including corporate governance, finance, HR and IT.



Emma Cooper – Head of Land Rights and Responsibilities (until 31 October 2025)

Responsible for leading the programme of work supporting the practical implementation of Scottish Government's Land Rights and Responsibilities Statement (LRRS), responsible land ownership and use.



Sarah Madden – Head of Practice and Advice (from 6 October 2025)*

Responsible for the Good Practice Programme and the organisation's tenant farming work. Responsible for delivering advice to private, community and public landowners manage land in line with the Land Rights and Responsibilities Statement, and supporting the statutory functions of the Tenant Farming Commissioner.



Kathie Pollard – Head of Policy (from 18 August 2025)**

Responsible for policy advice, analysis and research to inform key areas of land policy.

*Please note, this role replaced the Head of Land Rights and Responsibilities in the Management Team structure following staff turnover.

**This was a new role added to the Management Team structure.

Pensions

Scottish Land Commission staff members are eligible to be members of the Principal Civil Service Pension Scheme. Details of the scheme and details of the pension entitlements of the Scottish Land Commission's senior managers are given in the Remuneration and Staff Report (page 60) and note 2 (page 86) to these accounts.

Freedom of Information Requests

The Scottish Land Commission received 27 Freedom of Information requests during the year 2025/26. Details of these can be reviewed on the Scottish Information Commissioner's website: **stats.itspublicknowledge.info**

Data protection

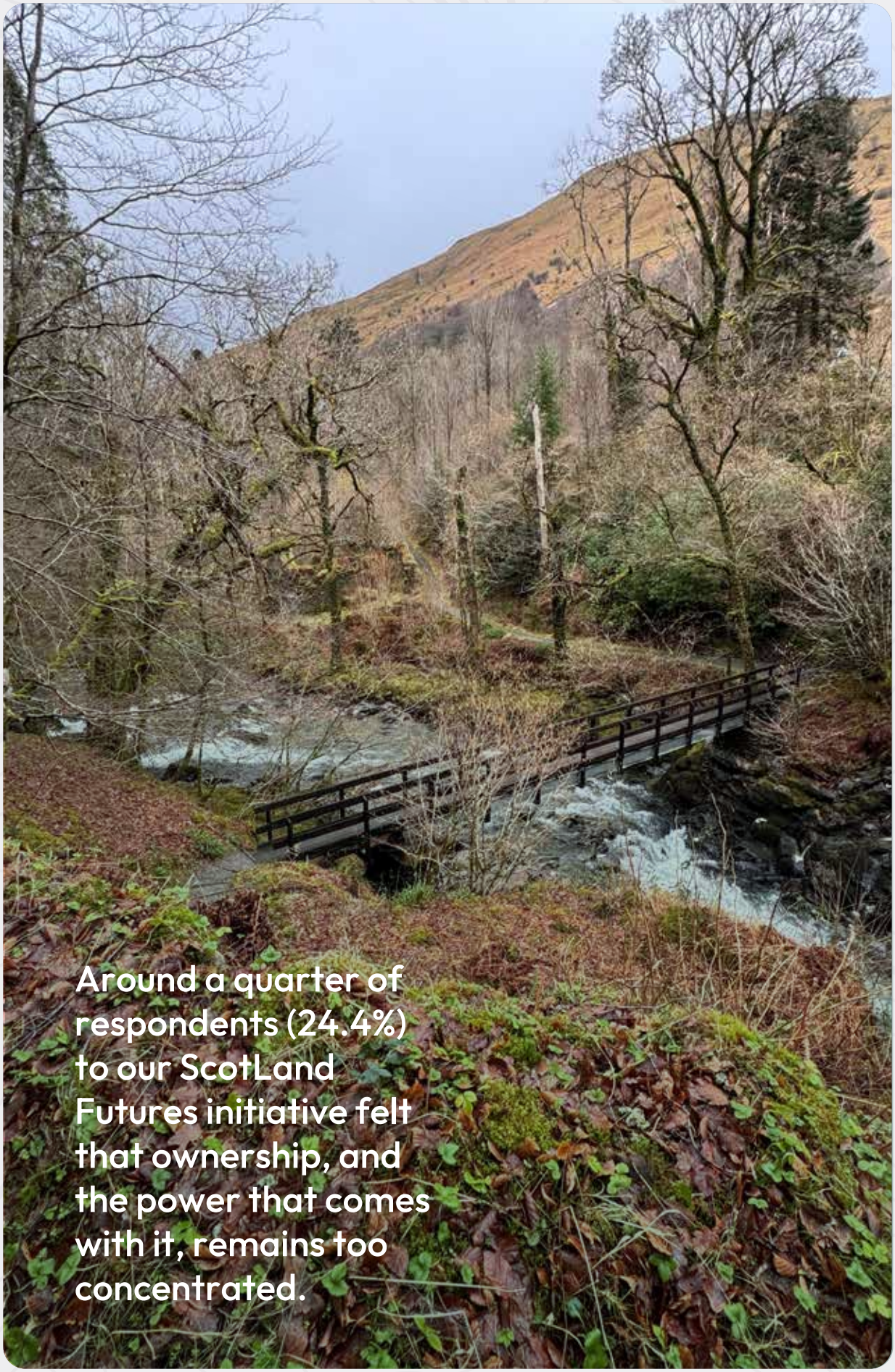
There was one data breach during the year. During the year, the Commission recorded one personal data breach. This involved 13 email addresses being inadvertently disclosed when an email invitation to a community workshop was sent using the 'To' field instead of blind copy. The incident was identified and reported promptly. All affected individuals were contacted with an apology, asked to delete the email, and provided with contact details should they have any concerns. The risk to individuals was assessed as low, and no further action was required. This incident was not disclosed to the ICO.

Payment Practice Code

In line with Scottish Government policy, the Scottish Land Commission requires that all suppliers' invoices not in dispute are paid within 10 working days of receipt. The Scottish Land Commission aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, on time in these terms. During the year ended 31 March 2026, the Scottish Land Commission paid 97% of its invoices within these terms.

Non-audit fees

The Auditor General for Scotland has appointed Deloitte as the external auditor. Details of the audit fee for the year to 31 March 2026 are disclosed in note 3 (page 86) to the accounts. Deloitte were not engaged or paid for any non-audit work during the year.


Around a quarter of respondents (24.4%) to our ScotLand Futures initiative felt that ownership, and the power that comes with it, remains too concentrated.

Statement of Accountable Officer's responsibilities

In accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 and section 19 of the Land Reform (Scotland) Act 2016, Scottish Ministers have directed the Scottish Land Commission to prepare a statement of accounts for each financial year in the form and on the basis set out in the Accounts Direction issued by the Scottish Ministers.

The accounts are prepared on an accruals basis and must give a true and fair view of the Scottish Land Commission's state of affairs at the period end and of its operating costs, recognised gains and losses and cash flows for the financial period.

In preparing the accounts, the Accountable Officer is required to:

- Observe the Accounts Direction issued by Scottish Ministers including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- Prepare the accounts on a going concern basis.

The Permanent Secretary and Principal Accountable Officer of the Scottish Government has appointed the Chief Executive of the Scottish Land Commission as Accountable Officer.

Statement by Accountable Officer

As Accountable Officer, I am responsible for the regularity and propriety of the public finances for which I am answerable, for keeping proper records and for safeguarding the Scottish Land Commission's assets, as set out in the Memorandum to Accountable Officers for Parts of the Scottish Administration issued by Scottish Ministers.

Disclosure of information to the auditors

As Accountable Officer, as far as I am aware, there is no relevant audit information of which the Scottish Land Commission's auditor is unaware. I have taken all reasonable steps to make myself aware of any relevant audit information and to establish that the Scottish Land Commission's auditor is aware of the information.

Accountable Officer confirmation on the Annual Report and Accounts

As Accountable Officer I confirm that the annual report and accounts as a whole is fair, balanced and understandable and I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Governance statement

Background

The Governance Statement records the stewardship of the Scottish Land Commission and supplements the annual accounts. This statement also draws together statements and evidence on governance, risk management and control, to provide a coherent and consistent reporting mechanism.

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, set by Scottish Ministers, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities set out in the Accountable Officer's Memorandum.

In the discharge of my personal responsibilities I ensure organisational compliance with the Scottish Public Finance Manual (SPFM). The SPFM is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency and effectiveness, and promotes good practice and high standards of propriety.

Governance framework

The Board

The Chair leads the Board of Commissioners and the Chief Executive leads the executive management of the Scottish Land Commission.

The Board comprises six Commissioners: there is one Chair, four Land Commissioners and one Tenant Farming Commissioner, all of whom are appointed by Scottish Ministers.

More information on the Commissioners can be found on pages 38-41.

Board of Commissioners during 2025/26

Commissioner	Board Position	Attendance [1]
Michael Russell	Chair	10/10
Dr Craig Mackenzie	Commissioner	10/10
Professor Deb Roberts	Commissioner	9/10
Rob Black	Tenant Farming Commissioner	6/10
Dr Lucy Beattie	Commissioner	10/10
Dr Calum Macleod	Commissioner	10/10

[1] Attendance of Board Meetings during 2025/26

The role of the Board is to provide strategic leadership for the organisation, setting the policy direction including development of a strategic plan and programme of work to be agreed with Scottish Ministers. They also oversee the performance of the organisation and the Chief Executive is accountable to the Board for its performance.

During the year 2025/26 the Board focussed on:

- Overseeing delivery of the strategic plan and programme of work
- Considering the implications of changes in statutory functions arising from the Land Reform (Scotland) Act 2025
- Public and stakeholder engagement through ScotLand Futures initiative
- Quarterly reporting addressing delivery, financial, risk, communications and governance performance
- Board member training and development

The Board is supported by an Audit and Risk Committee to maintain oversight of internal and external audit, financial, risk and governance performance, and a Staffing and Remuneration Committee.

The Board is committed to high standards of corporate governance and believes that a sound governance structure engenders a successful organisation. The Board's standing orders can be obtained from the Commission's website: www.landcommission.gov.scot.



Audit and Risk Committee

The Audit and Risk Committee supports the Board by providing scrutiny and assurance on the Commission's governance, risk management, financial reporting and internal controls. It also oversees audit activity and monitors how the Commission manages strategic and operational risks. During 2025/26, the Committee met four times over the course of the year.

Audit and Risk Committee members during 2025/26

Committee member	Committee position	Attendance [1]
Dr Craig Mackenzie	Chair (Commissioner) Member (Commissioner)	4/4
Prof Deb Roberts	Member (Commissioner)	4/4
Malcolm Mathieson	Member (Co-opted)	3/4

[1] Attendance of committee meetings during 2025/26

The external and internal auditors normally attend all Audit and Risk Committee meetings. They are given the opportunity to speak confidentially to the Committee members. The purpose of the Audit and Risk Committee is to monitor and review risk, control and corporate governance. It operates independently and reports to the Board.

The Audit and Risk Committee terms of reference can be obtained from the Commission's website: www.landcommission.gov.scot.

Staffing and Remuneration Committee

A Staffing and Remuneration Committee oversees and monitors the remuneration systems put in place for the Commission, including the annual pay remits, as well as senior appointments. The staffing and remuneration committee is a committee of the Commission. The members of the Staffing and Remuneration Committee are the Board of Commissioners chaired by the Chair of the Land Commission. The Committee met five times during 2025/26.

Staffing and Remuneration Committee members during 2025/26

Committee member	Committee position	Attendance [1]
Michael Russell	Chair	5/5
Dr Craig Mackenzie	Commissioner	5/5
Professor Deb Roberts	Commissioner	4/5
Rob Black	Tenant Farming Commissioner	3/5
Dr Lucy Beattie	Commissioner	5/5
Dr Calum Macleod	Commissioner	5/5

[1] Attendance of committee meetings in 2025/26

Management Team 2025/26

The structure and membership of the Commission's Management Team was reviewed and strengthened in 2025/26.

- Hamish Trench (Chief Executive and Accountable Officer)
- Nikki Nagler (Head of Communications and Corporate Services)
- Emma Cooper (Head of Land Rights and Responsibilities) until 31 October 2025
- Sarah Madden (Head of Practice and Advice) from 6 October 2025
- Kathie Pollard (Head of Policy) from 18 August 2025

More information on the Senior Management Team can be found on pages 42-43.

The Management Team meets regularly to co-ordinate operational management. The Senior Management Team is committed to high standards of corporate governance and provides the leadership, strategic oversight and the control environment required to deliver the Scottish Land Commission's key aims.

Risk and control framework

All bodies subject to the requirements of the Scottish Public Finance Manual (SPFM) must operate a risk management strategy in accordance with relevant guidance issued by the Scottish Ministers.

The risk and control mechanism is based on an ongoing process designed to identify the principal risks to the achievement of the Scottish Land Commission's policies, aims and objectives; to evaluate the nature and extent of those risks, and to manage them efficiently, effectively and economically.

The Scottish Land Commission maintains a Strategic Risk Register which records internal and external risks and identifies the mitigating actions required to reduce the threat of these risks occurring and their impact. The Strategic Risk Register is regularly updated and reviewed as a standing item by both the Senior Management Team and the Audit and Risk Committee. Each individual risk is allocated an owner who ensures that mitigating action is carried out. The Risk Register is presented to the Board on a quarterly basis.

The principal risks identified during the year to 31 March 2026 can be categorised under four main headings:

Delivery

- Risk of catastrophic loss of systems resulting in the Commission being unable to operate effectively.
- Risk that the Land Reform Bill creates increased obligations without sufficient resource, adversely impacting delivery.
- Risk that public finance constraints reduce the Commission's ability to deliver planned work or respond effectively to changing priorities.

Reputational

- Risk that emerging issues result in reactive policy making and stakeholder management.
- Risk that the land reform policy narrative is perceived as narrow or disconnected from wider public and government priorities.
- Risk that failure to maintain effective stakeholder relationships impacts delivery and opportunities for collaboration.
- Risk that insufficient engagement across Scottish Government and Parliament reduces the impact and value of the Commission's work.

Compliance

- Risk of failing to have in place, or adhere to, statutory or non-statutory governance policies and procedures.
- Risk that failure to manage budgets effectively results in governance, administrative or reputational issues.

Staffing

- Risk that staff turnover or absence reduces organisational capacity and impacts delivery of critical business functions.
- Risk that staff wellbeing is adversely affected by changing priorities, workload pressures or insufficient prioritisation.

The risk and control processes applied within the Scottish Land Commission accord with guidance given in the SPFM and have been in place for the year ended 31 March 2026 and up to the date of the approval of the annual report and accounts.

During the year, and up to the date of signing the accounts, the following governance arrangements were in place:

- Whistle Blowing Policy
- Anti-Fraud Policy
- Updated Finance Desk Instructions.

The Commission considers its whistleblowing arrangements to have operated effectively during the year. No whistleblowing concerns were raised during the reporting period and no issues were identified in relation to the operation of the arrangements.

The system of internal control will continue to be reviewed to ensure effective assurances as the organisation matures and develops.

Best value

The Commission's Governance Framework is built on best practice principles to ensure value for money across all operations, services, and contracts. In 2025/26, we undertook several key reviews to improve efficiency and reduce external spend.

This included beginning a new contract for our financial software and accounting services to streamline processes and enhance financial oversight. A review of our IT software provision was also completed, ensuring continued performance and cost-effectiveness from suppliers.

We also retendered our website hosting and delivery, moving from a bespoke platform to a more accessible and widely supported platform, improving user experience and reducing our reliance on a single supplier. Looking ahead, we will review our telephony provision to ensure it is fit for purpose and continues to deliver best value.

Conflicts of interest procedures

The Scottish Land Commission operates strict and comprehensive procedures to deal with potential conflicts of interest. A register of interests, covering Commissioners and staff, is held and updated on an annual basis. This is available for examination by any member of the public wishing to do so, and Commissioners' information is published on the Scottish Land Commission's website. Commissioners record any potential conflicts of interest at the start of every Commission Board meeting and, where appropriate, absent themselves from decisions on any matters in which they have an interest. These declarations are recorded in the minutes of the meeting.

External audit

Deloitte has been appointed as the Scottish Land Commission's external auditor for a five-year period from 1 April 2022.

Internal audit

The internal audit function is an integral part of the internal control system. The Scottish Land Commission's internal audit service for 2025/26 was provided by BDO LLP, who undertook work based on an analysis of the risk to which the Commission was exposed. During 2025/26 BDO LLP reviewed and evaluated the Scottish Land Commission's processes in the following areas:

- Complaints Management
- Data Protection
- Follow up of recommendations

As part of this work, BDO undertook a follow-up review to assess the degree of implementation of recommendations raised in prior internal audits, in accordance with the 2025/26 Internal Audit Plan. The review considered 17 recommendations across nine audit areas that were due for implementation by April 2026: Records Retention and Data Management, Culture, Financial Processes, Health and Safety, IT General Controls, Risk Management, Corporate Governance, Financial Planning, and Complaints Management. Of these, no recommendations were rated high significance, 6 were rated medium and 11 were rated low.

One recommendation was not yet due for implementation at the time of the review, leaving 16 recommendations due for follow-up. Of these, 10 (64%) were confirmed as fully implemented, 3 (18%) remained in the process of being implemented, and 3 (18%) required further evidence to be provided to Internal Audit to verify complete implementation.

The findings are presented in the reports issued during the year to the Senior Management Team and the Audit and Risk Committee. For 2025/26, the Head of Internal Audit concluded that sufficient internal audit work had been undertaken to provide reasonable assurance on the adequacy and effectiveness of the Commission's risk management, control and governance processes. Overall, controls in the areas examined were found to be suitably designed and operating effectively, although some areas for improvement were identified.

The results show that management has made good progress in completing the recommendations, with the majority now fully implemented. The Commission will continue to prioritise timely completion of the remaining recommendations to further strengthen the internal control framework across the organisation.

Data and information management

Procedures are in place to ensure compliance with data and information management obligations. The Commission has had one recorded or reported instance of data loss or breaches during the year. The Commission recorded one personal data breach during the year. This involved 13 email addresses being inadvertently disclosed when an email invitation to a community workshop was sent using the 'To' field rather than blind copy. The breach was identified and reported promptly. All affected individuals were contacted, issued with an apology, asked to delete the email, and provided with contact details should they have any concerns. The risk to individuals was assessed as low, and no further action was required. The Commission has taken steps to ensure compliance with GDPR obligations. The Commission has a dedicated Data Protection Officer, all staff required to act as Information Asset Owners (subject dependant) and Management Team are designated Senior Information Risk Owners for their respective areas of responsibility.

There has been an increased risk in cyber security, associated with home working, a disrupted environment and heightened international tensions. The Commission recognises the importance of ensuring cyber resilience and has continued to work with Scottish Government to make sure that our digital technologies are in line with the Scottish Public Sector Action Plan on Cyber Resilience. The Scottish Land Commission renewed its Cyber Essentials certification and achieved Cyber Essentials Plus. The Commission again carried out training of staff and simulated exercises on the importance of remaining vigilant to phishing attacks and scenario planning for potential breaches.

Anti-corruption and anti-bribery matters

The Commission has an Anti-Fraud Policy in place and there have been no reported incidents of corruption or fraud.

Significant governance issues

During 2025/26 there were no significant governance issues to report.

Governance focus looking ahead

The key governance challenges going forward centre on delivery of outcomes in the context of growing financial constraints in the public sector:

- Achieving delivery of the Scottish Land Commission's strategic plan and programme of work and contributing to Scotland's national outcomes.
- Examining new ways of working to help deliver climate action commitments and create a flexible working environment for staff.
- Delivering the next stage of our existing programme of organisational development to shape the type of organisation we want to be focusing on improving business planning.
- Further developing the scheme of delegation as the Scottish Land Commission evolves to ensure it operates in an efficient and effective way.
- Continued development of the project management approach including delivery reporting, evaluation model and performance management information including key performance indicators.
- Ongoing programme of training and development for Commissioners based on skills and development requirements.
- Ensuring the effective governance of the Staff Engagement Forum and the Staffing and Remuneration Committee in helping shape organisational development.

- Maintaining an effective working relationship with Public and Commercial Services Union to support staff wellbeing at work.
- Refreshing our organisational values and behaviours to ensure these are meaningful and reflective of the Commission and its work.

Management assurances

The Accountable Officer's review of the effectiveness of the system of internal control and risk management arrangements is informed by:

1. Letter of assurance supported by a completed internal control checklist, agreed by the Heads of Service identifying controls and if applicable stating areas of concern
2. The work of internal auditors, including in-year reports to the Scottish Land Commission's Audit and Risk Committee (this includes their independent and objective opinion on the adequacy and effectiveness of the Commission's systems of internal control together with recommendations for improvement)
3. Comments made by external audit in their reports
4. The annual report, and quarterly updates, provided by the Chair of the Audit and Risk Committee to the Board, detailing the work of that committee during the year
5. Quarterly reviews by the Audit and Risk Committee of the organisation's risk register and the work of internal audit in assessing effectiveness of risk management arrangements
6. Letters of assurance from the Cairngorms National Park Authority who provide a shared HR service to the Scottish Land Commission.

Conclusion

Based on the sources of assurance identified above, and the continuous review of corporate governance practices in line with the SPFM best practice principles and guidance, I am satisfied that appropriate governance controls were in place and operating effectively throughout the year under review and up to the date of approval of the Annual Report and Accounts. The framework of controls needs to continue to develop as the organisation matures to ensure it remains proportionate and effective.

Remuneration and Staff Report

The Remuneration and Staff Report is subject to audit except for the Remuneration Policy, Gender Note, Sickness Absence date, staff policies with regards to Equal Opportunities, Disability and Diversity, Fairness at Work and Learning and Development Policies, which are available for review by Audit Scotland for consistency with the audited accounts.

Remuneration policy

Board Members

The Scottish Land Commission Board comprises six Commissioners. Commissioners' remuneration is approved by Scottish Ministers and is determined according to the Public Sector Pay Policy for Senior Appointment (see www.scotland.gov.uk/publications for further detail).

Scottish Government led the recruitment process for all new appointments.

Staff

All permanent and fixed-term staff are employees of the Scottish Land Commission. For 2025/26 the Commission has adopted the Scottish Government pay grading policy to determine salary levels in line with Scottish Government Pay Policy and Remuneration Committee approval.

All pay negotiations are conducted with PCS in line with our recognition agreement. The CEO role salary level is separate to this and falls under Scottish Government Finance Pay Policy. Consideration is given to the need for pay to be set at a level which will ensure the recruitment, retention and motivation of staff. Also kept under consideration are the Government's policies on Civil Service and public sector pay and the need to closely observe public spending controls. Performance of all staff is monitored through a performance appraisal system.

Audit and Risk Committee

The Audit and Risk Committee is comprised of two Commissioners and one co-opted member from an external organisation. The co-opted member was not in receipt of any remuneration and therefore is not included in the following report.

Board remuneration (audited)

Commissioners were due remuneration as follows

Commissioners who held office during 2025/26	2025/26 (£)	2024/25 (£)
Michael Russell (Chair)	15,000 - 20,000	10,000 - 15,000
Craig Mackenzie (Land Commissioner)	5,000 - 10,000	5,000 - 10,000
Deborah Roberts (Land Commissioner)	5,000 - 10,000	5,000 - 10,000
Robert Black (Tenant Farming Commissioner)	25,000 – 30,000	5,000 - 10,000
Calum Macleod (Land Commissioner)	5,000 - 10,000	0 - 5,000
Lucy Beattie (Land Commissioner)	5,000 - 10,000	0 - 5,000

Commissioners' appointments are non-pensionable.

Scottish Land Commission Chair is committed to four days per month.

The Tenant Farming Commissioner's remuneration increased to reflect the additional responsibilities of the role under the Land Reform Act. The time commitment increased from eight to 12 days per month from 1 February 2026.

Land Commissioners are committed to two days per month.

Remuneration of senior staff (audited)

The following section provides details of the remuneration and pension interests of the senior staff in the Scottish Land Commission

	Salary £000		Pension benefits £000		Total £000	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Chief Executive						
Hamish Trench	95-100	85-90	39	57	130-135	145-150
Senior Management Team						
Nikki Nagler	70-75	65-70	27	27	95-100	95-100
Emma Cooper*	35-40	65 -70	18	31	55-60	100-105
Sarah Madden**	25-30	-	11	-	35-40	-
Kathie Pollard***	35-40	-	14	-	50-55	-

*Appointment ended 31 October 2025 **Appointment began 6 October 2025.
***Appointment began 18 August 2025.

Compensation for loss of office (audited)

This value was nil for 2025/26 (2024/25 nil).

Pay multiples (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid staff member in their organisation along with the median, lower quartile and upper quartile remuneration figures of the organisation's workforce. The banded remuneration of the highest-paid staff member in the Scottish Land Commission in financial year 2025/26 was £95k-£100k. (2024/25: £85k-90k).

	2025/26 Salaries £	2025/26 ratio to highest paid staff member salary	2024/25 Salaries £	2024/25 ratio to highest paid staff member salary
Lower quartile	41,923	2.04	39,456	2.09
Median	48,000	1.79	44,979	1.83
Upper quartile	55,073	1.56	52,954	1.56

In 2025/26 no employees received remuneration in excess of the Chief Executive. Remuneration ranged from £26,404 to £71,779 (excluding the Chief Executive) (2024/25: £30,675 to £69,018). There was 6.50% change in the highest paid staff member salary in 2025/26 (8.76% :2024/25). The average percentage change of the workforce salaries from the previous financial year was 6.26% (9.74% 2024/25). Pay award increases within 2025/26 were in line with Scottish Government pay policy. The median pay ratio is consistent with pay, rewards and progression as per SLC policies.

Pension benefits (audited)

	Accrued pension at pension age as at 31/03/2026 and related lump sum		Real increase in pension and related lump sum at pension age		CETV at 31/03/26	CETV at 31/03/25	Real increase in CETV as funded by employer
	£000		£000		£000	£000	£000
	Pension	Lump sum	Pension	Lump sum			
Chief Executive							
Hamish Trench	35-40	-	0-2.5	-	635	575	25
Senior Management Team							
Nikki Nagler	5-10	-	0-2.5	-	60	40	14
Emma Cooper	10-15	-	0-2.5	-	143	123	8
Sarah Madden**	0-5	-	0-2.5	-	6	-	4
Kathie Pollard***	5-10	-	0-2.5	-	97	-	6

*CETV stands for Cash Equivalent Transfer Value and more information can be found on page 66 **Appointment began 6 October 2025 *** Appointment began 18 August 2025

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and five months from their normal pension age on 1 April 2012 switch into alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service.

Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate in 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

It is anticipated that employers contributions to all pension plans in 2026/27 would be around £268,650 (£240,000 2024/25).

Further details about the Civil Service pension arrangements can be found at the website: www.civilservicepensionscheme.org.uk.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Staff Report

Staff costs and numbers (audited)

	Permanent staff	Board members	Others	Total 2025/26	Total 2024/25
	£000	£000	£000	£000	£000
Salaries	879 (817 2024/25)	62 (60 2024/25)	-	941	877
Social security costs	119 (90 2024/25)	5 (3 2024/25)		124	93
Other pension costs	255	-	-	255	236
Inward secondment and agency staff	-	-	-	-	-
Total	1,253	67	-	1,320	1,206

Average number of employees (audited)

The average number of full time equivalent (FTE) persons employed during the year

	Number 2025/26	Number 2024/25
Senior management	3.75	3.00
Professional, managerial, administration and support	13.73	14.03
Total	17.48	17.03

Gender note

	Males 31 March 2026	Females 31 March 2026	Males 31 March 2025	Females 31 March 2025
Commissioners	4	2	4	2
Chief Executive	1	-	1	-
Employees	5	12	5	11

Sickness absence

Sickness absence during the year to 31 March 2026 was 155.03 days (2025: 73 days), representing 3% of the total number of available days (2025: 1.61%). This equates to an average number of days sickness per member of staff of 8.86 days (2025: 4.2 days).

Exit packages (audited)

There were no exit packages within 2025/26 (2024/25: nil).

Turnover rate

Voluntary turnover rate in 2025/26 was 11% (2024/25: 11%), involuntary turnover rate was 0% (2024/25:6%).

Equal Opportunities, Disability and Diversity Policies

The Scottish Land Commission adopts the Scottish Government policies on equal opportunities and diversity. The policy on equal opportunity states that all staff should be treated equally irrespective of their sex, marital/civil partnership status, age, race, ethnic origin, sexual orientation, disability, religion or belief, working pattern, employment status, gender identity (transgender), maternity or paternity status, caring responsibility or trade union membership. The Commission will seek to avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for learning and development, pay and benefits, discipline and selection for redundancy. In line with Scottish Government policy, the Scottish Land Commission is specifically required to increase the diversity of staff within the organisation. The Commission cannot directly discriminate in the selection of employees for recruitment or promotion, but the Commission may use appropriate lawful methods, including lawful positive action to address under-representation of any group that the Commission identifies as being under-represented in particular types of jobs.

Employment and development of disabled persons is covered by our equal opportunities and diversity policy and as part of the organisation's commitment to the Disability Confident scheme; applications for employment received from any candidate who indicates that they have a disability will be automatically short-listed if they demonstrate that they meet all the essential short-listing criteria for the role. The Scottish Land Commission will make reasonable adjustments to its standard working practices to overcome barriers caused by disability. The Scottish Land Commission undertakes to develop all staff, positively values the different perspectives and skills each brings to our work, and has adopted a comprehensive learning and development policy and fairness at work policy.

The Scottish Land Commission offers flexible working by offering both home and office working to its staff. The Scottish Land Commission is committed to delivering its functions in a manner that encourages equal opportunities, aims to eliminate unlawful discrimination and other conduct prohibited by equality legislation.

Health and Safety Policy

The Scottish Land Commission is fully committed to ensuring the health, safety, and well-being of our employees, contractors, and members of the public. We actively manage workplace risks in strict compliance with the Health and Safety at Work etc. Act 1974 and all other relevant statutory obligations.

Parliamentary Accountability Report

Losses and special payments

There were no losses or special payments made during the year 2025/26 (2024/25: nil).

Gifts and charitable donations

There were no gifts or charitable donations made during the year 2025/26 (2024/25: nil).

Remote contingent liabilities

The Scottish Land Commission is required to report liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability under IAS37. There are no remote contingent liabilities.

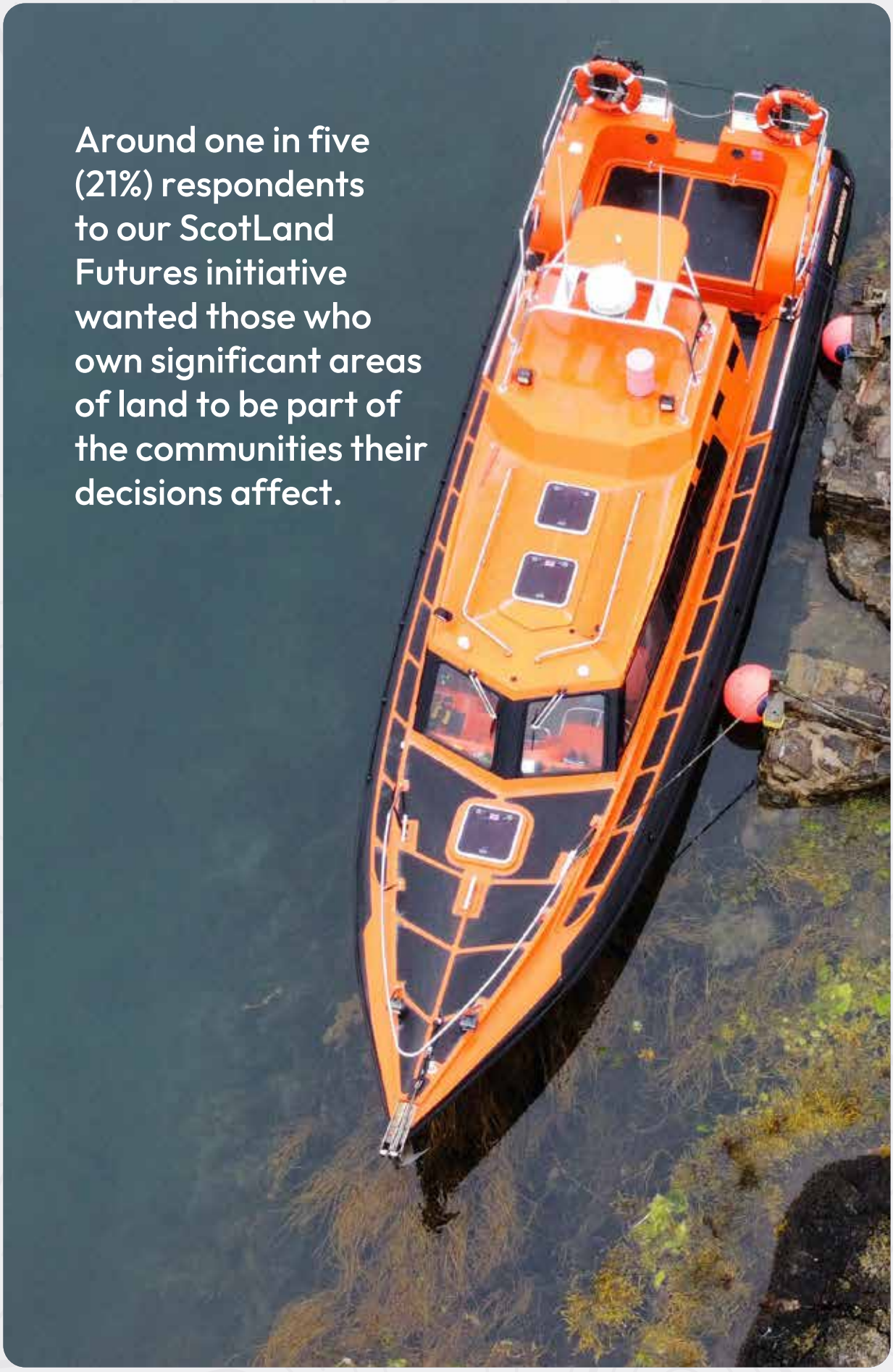
Fees and charges income

The Scottish Land Commission received nil fees or charges income within the year 2025/26 (2024/25: nil).

Hamish Trench

Chief Executive and Accountable Officer

Date



Around one in five (21%) respondents to our ScotLand Futures initiative wanted those who own significant areas of land to be part of the communities their decisions affect.

Independent auditor's report to the members of the Scottish Land Commission, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of the Scottish Land Commission for the year ended 31 March 2026 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2025/26 Government Financial Reporting Manual (the 2025/26 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2026 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2025/26 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, we report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

We report in our separate Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the central government sector to identify that the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the body operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This includes the Public Finance and Accountability (Scotland) Act 2000 and the Land Reform (Scotland) Act 2016.
- Do not have a direct effect on the financial statements but compliance with which may be fundamental to the body's ability to operate or to avoid a material penalty. These include the Data Protection Act 2018 and relevant employment legislation.

As a result of performing the above, we identified the greatest potential for fraud was in relation to the requirement to operate within the resource limit allocated by the Scottish Government. The risk is that the expenditure in relation to year-end transactions may be subject to potential manipulation in an attempt to align with the Scottish Government tolerance target or achieve a breakeven position. In response to this risk, we obtained confirmation of the resource limit allocated by the Scottish Government and tested a sample of accruals, prepayments and invoices received around the year-end to assess whether they have been recorded in the correct period.

In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override. In

addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulation described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for

which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- We have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

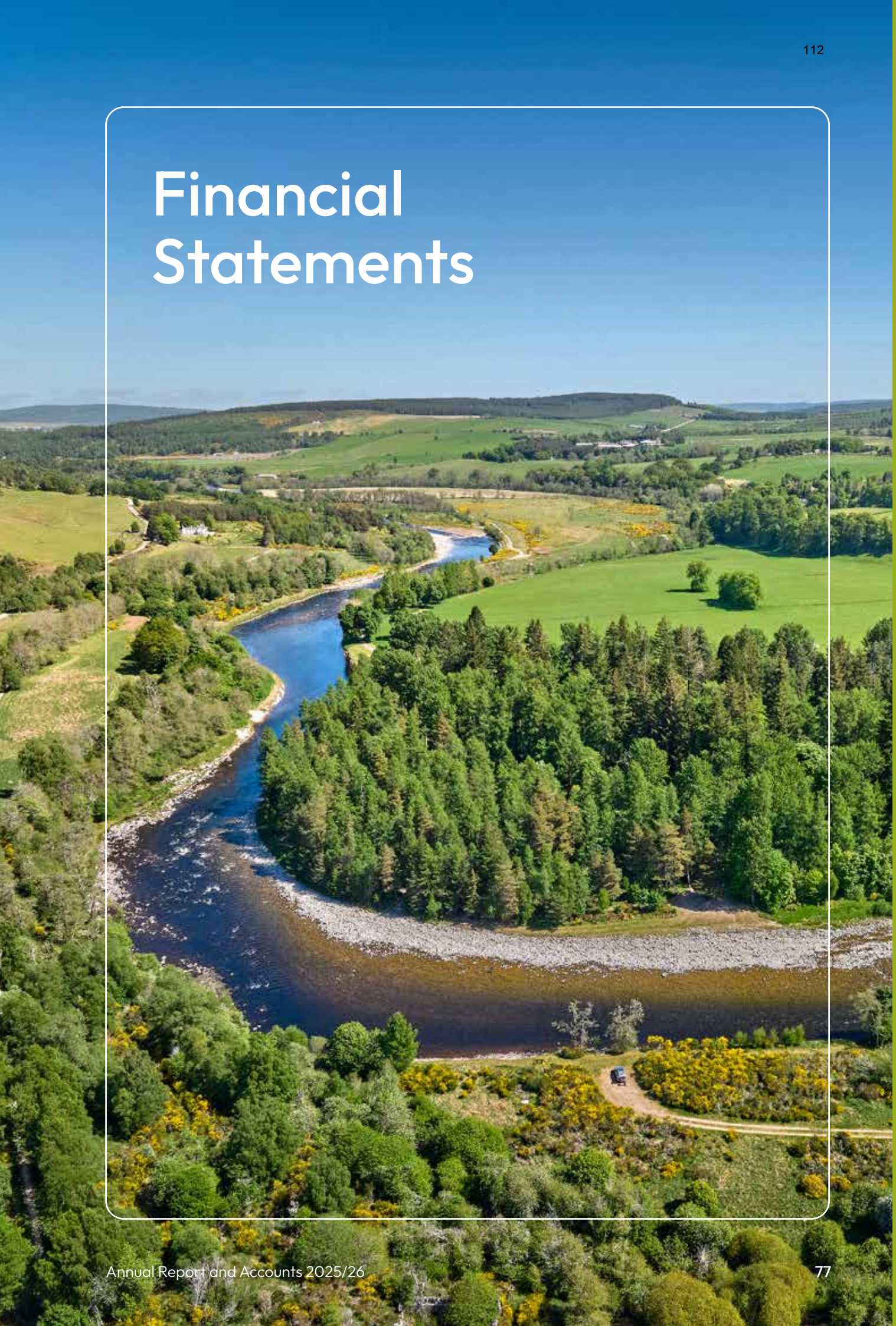
[Signature]

Stuart Kenny, (for and on behalf of Deloitte LLP),

One Trinity Gardens, Broad Chare, Newcastle NE1 2HF

[Full date]

Financial Statements



Financial statements

Statement of comprehensive net expenditure

For the year ended 31 March 2026.

		2026	Restated 2025
	Note	£000	£000
Staff costs	2	1,320	1,206
Other operating expenses	3	488	439
Total operating expenditure	-	1,814	1,645
Other income	13	(138)	(51)
Net operating expenditure	-	1,670	1,594

The notes on pages 83-92 form part of these accounts.

Prior year comparatives have been restated for the reclassification of other income. See Note 13 for further details.

Statement of financial position

As at 31 March 2026

		2026	2025
	Note	£000	£000
Non-current assets			
Total non-current assets	4	-	-
Current assets			
Trade and other receivables	5	54	32
Cash and cash equivalents	6	92	106
Total current assets		146	138
Current liabilities			
Trade and other payables	7	(53)	(55)
Total current assets less current liabilities		93	83
Total assets less current liabilities		93	83
Taxpayers' equity			
General reserve		93	83

The Accountable Officer authorised these financial statements for issue on INSERT SIGNING DATE WHEN KNOWN.

Only events up until the authorised for issue date are reflected in these accounts.

The notes on pages 83-92 form part of these accounts.

Hamish Trench

Chief Executive and Accountable Officer

Date

Statement of cash flows

For the year ended 31 March 2026

		2026	Restated 2025
	Note	£000	£000
Cash flows from operating activities			
Net operating expenditure	-	(1,670)	(1,594)
Movement in working capital			
Decrease in trade and other payables	7	(2)	(75)
Increase in trade and other receivables	5	(22)	(1)
		(24)	(76)
Net cash flow from operating activities		(1,694)	(1,670)
Financing activities			
Grant-in-aid		1,680	1,615
Repayments of taxpayers' equity to The Scottish Government		-	(53)
Net cash flow from financing activities	-	1,680	1,562
Investing activities			
Purchase of property, plant and equipment	4	-	-
Net cash used in investing activities		-	-
Net decrease in cash and cash equivalents		(14)	(108)
Cash and cash equivalents at beginning of year	6	106	214
Cash and cash equivalents at end of year	6	92	106

The notes on pages 83-92 form part of these accounts.

Prior year comparatives have been restated for the reclassification of other income. See Note 13 for further details.

Statement of changes in Taxpayers' Equity

For the year ended 31 March 2026

General Reserve	Restated £000
Balance at 01 April 2024	115
Year ended 31 March 2025	
Grant-in-aid	1,615
Comprehensive net expenditure for the year	(1,594)
Repayments of taxpayers' equity to The Scottish Government	(53)
Balance at 31 March 2025	83
Year ended 31 March 2026	
Grant-in-aid	1,680
Comprehensive net expenditure for the year	(1,670)
Repayments of taxpayers' equity to The Scottish Government	-
Balance at 31 March 2026	93

The notes on pages 83-92 form part of these accounts.

Prior year comparatives have been restated for the reclassification of other income. See Note 13 for further details.


The Scottish Land Commission is fully committed to ensuring the health, safety, and well-being of our employees, contractors, and members of the public.

Notes to the financial statements

1. Accounting policies

The financial statements have been prepared in accordance with the 2026/27 Government Financial Reporting Manual (FReM) issued by HM Treasury and the Accounts Direction (page 94) issued by Scottish Ministers.

The FReM sets out the format of the annual accounts. Grant-in-Aid (GIA) is included in the General Reserve in the Statement of Changes in Taxpayers' Equity rather than included in the Statement of Comprehensive Net Expenditure.

All other income and expenditure is included in the Statement of Comprehensive Net Expenditure.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Scottish Land Commission for the purposes of giving a true and fair view has been selected.

The particular policies adopted by the Scottish Land Commission are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

The financial statements included in this report have been prepared on a going concern basis due to statutory obligations set out in our service provision. The Accountable Officer has considered the budget and associated Grant-in-Aid allocation for 2026/27 and considers the Scottish Land Commission to have adequate resources to continue in operational existence for the foreseeable future.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention.

1.2 Intangible assets

Expenditure relating to IT software and software development is capitalised if the asset has a cost of at least £5,000. General IT software project management costs are not capitalised. All assets are recorded at cost and the estimated useful lives and residual values are reviewed annually in line with the asset management policy. The Scottish Land Commission does not have any intangible assets that require to be capitalised within this financial year.

1.3 Property, plant and equipment

Expenditure on office refurbishments, office furniture and fittings, office equipment, IT equipment and infrastructure is capitalised if the asset has a value of at least £5,000 with a useful life of more than one year. General IT project management costs are not capitalised. The assets are recorded at cost and the estimated useful lives and residual values are reviewed annually in line with the asset management policy.

1.4 Depreciation

Capital assets will be depreciated / amortised on a straight-line historical cost basis as follows.

Property, plant and equipment:

- Office refurbishment – 10 years
- Furniture – 10 years
- Office equipment – 5 years.

Information technology:

- IT equipment – 3 years
- IT infrastructure – 3 years.

Intangible assets:

- Software licences – 3 years
- Developed software and website – 3 years.

Office refurbishments and furniture is written-off over the remaining life of the lease (the date of the first lease break) if below 10 years. IT software, including developed software is written-off over the expected life if less than three years. The estimated useful lives and residual values are reviewed annually.

1.5 Value Added Tax

Irrecoverable VAT is included with the relevant costs and charged to the Statement of Comprehensive Net Expenditure in the period in which it is incurred.

1.6 Employee benefits

Salaries and employment-related payments are recognised in the year in which the service is received from employees. The cost of annual leave and flexible working time entitlement earned but not taken by employees at the end of the year is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following year. A liability and an expense are recognised for accrued but unused annual leave and flexi leave balances at the 31 March, in accordance with the underlying policy. These costs are shown in the Remuneration and Staff Report.

1.7 Pension costs

Pension costs as reported in the Scottish Land Commission's accounts relate to the period during which it benefits from the employee's services. This includes amounts covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS), a defined benefit scheme, which are paid by the Scottish Land Commission to the PCSPS on an accruing basis. The Commission is unable to identify its share of the underlying assets and liabilities and therefore the liability for payment of future benefits is a charge on the PCSPS which prepares its own scheme statements.

1.8 Trade receivables

All material amounts due as at 31 March 2026 have been brought into the Statement of Comprehensive Net Expenditure irrespective of when actual payments were received.

1.9 Trade payables

All material amounts due as at 31 March 2026 have been brought into the Statement of Comprehensive Net Expenditure irrespective of when actual payments were made.

1.10 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash with the bank and in hand.

1.11 Grant-in-Aid

The Scottish Land Commission receives Grant-in-Aid from the Scottish Government to finance its net expenditure. Grant-in-Aid is credited to the general reserve in the period in

which it is received. The net cost of the Scottish Land Commission is charged to this fund.

1.12 Critical accounting judgements and key sources of estimation

In the application of the Scottish Land Commission's accounting policies as described in Note 1, the Accountable Officer is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

Judgements, estimates and associated assumptions are based on experience and other factors that are considered to be relevant and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

In relation to the 2025/26 financial year there were no critical judgments or any significant estimates made.

1.13 Adoption of new and revised standards

At the date of authorisation of these financial statements there were the following Accounting Standards issued, but not yet effective, which relate to the Scottish Land Commission: IFRS 18 Presentation and disclosure in financial statements - Effective from 1 January 2027.

IFRS 18 will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

2. Staff costs

	Permanent staff	Board Members	Others	Total 2025/26	Total 2024/25
	£000	£000	£000	£000	£000
Salaries	879 (817 2024/25)	62 (60 2024/25)	-	941	877
Social security costs	119 (90 2024/25)	5 (3 2024/25)	-	124	93
Other pension costs	255	-	-	255	236
Inward secondment and agency staff	-	-	-	-	-
Total	1,253	67	-	1,320	1,206

3. Other operating expenses

	2026	2025
	£000	£000
Accommodation expenses	29	29
Research & Policy	69	67
Information systems & telecommunications	-	5
Training	36	15
Public meetings & conference expenses	13	33
Travel & subsistence - Commissioners	10	13
Travel & subsistence - staff	23	21
Communications activity	53	34
Human resources shared services	17	18
IT service	76	71
Legal and professional fees	27	22
Collaborations	10	42
Organisational Activity	24	-
Website Development	38	-
External Auditor’s remuneration	42	36
Internal Auditor’s remuneration	21	27
Other running costs	-	6
Total	488	439

4. Property, plant and equipment

Information technology 2024/25

Cost	£000
At 1 April 2024	7
Additions	-
Disposals	(7)
At 31 March 2025	-
Depreciation and impairment	
At 1 April 2024	7
Depreciation charged in the year	-
Eliminated on disposals	(7)
At 31 March 2025	-
Carrying amount	
At 31 March 2025	-
At 31 March 2024	-

Information technology 2025/26

Cost	£000
At 1 April 2025	-
Additions	-
At 31 March 2026	-
Depreciation and impairment	
At 1 April 2025	-
Depreciation charged in the year	-
At 31 March 2026	-
Carrying amount	
At 31 March 2025	-
At 31 March 2026	-

5. Trade and other receivables

	2026	2025
Amounts falling due within one year	**£000**	**£000**
Trade receivables	41	9
Prepayments and accrued income	13	23
Amounts falling due within one year		**£000**
Prepayments and accrued income	-	-
Total	54	32

6. Cash and cash equivalents

	£000
Balance at 01 April 2025	106
Net change in cash & cash equivalents	(14)
Balance at 31 March 2026	92
The following balances at 31 March were held with the government banking service and cash in hand	92
Balance at 31 March 2026	92

7. Trade and other payables

	2026	2025
	£000	**£000**
Trade payables	-	-
Accruals	53	55
Total	53	55

8. Commitments under other non-cancellable agreements

Total minimum future payments under contracts entered into prior to 31 March 2026 are given in the table below for each of the following periods. Obligations under these contracts from 31 March 2026 comprise:

	2025/26	2024/25
Projects	**£000**	**£000**
Not later than one year	115	107
Office accommodation	32	
HR platform	3	
CNPA partnership	10	
Legal advice	13	
Accountancy services	14	
IT services	35	
HR services	8	
Later than one year and not later than five years	45	85
Office accommodation	42	
HR platform	3	
Later than five years	-	-

9. Related party transactions

The Scottish Land Commission is an NDPB sponsored by the Scottish Government. The Scottish Government is regarded as the Commission's controlling party. The Commission has applied the exemption available under IAS 24 for government-related entities and has therefore not disclosed all transactions with other entities controlled, jointly controlled or significantly influenced by the Scottish Government.

The Commission considers the following bodies to be related parties: The Scottish Land Commission's Sponsor Directorate is the Scottish Government's Sustainable Land Use and Rural Policy Directorate (the Sponsor Directorate) and the Scottish Land Commission had significant material transactions with the Sponsor Directorate during the financial year. Financial transactions with the Directorate comprised Grant-in-Aid as disclosed in the Changes in Taxpayers Equity statement. In addition the commission had a member of staff seconded to the Scottish Government.

The Cairngorms National Park Authority (CNPA) is also a non-departmental public body sponsored by the Scottish Government and provided the Commission with HR and payroll services during the year, at a cost of £8,106. CNPA also provided partnership funding of £59,346 towards the Community Benefits Officer role. Highlands and Islands Enterprise (HIE) is a public sector agency and provided the Commission with office accommodation at An Lòchran in Inverness during the year, at a cost of £28,800. The Scottish Government provided funding of £32,675 relating to recharges for specific policy work undertaken during the year.

None of the Commission's members or key managerial staff have had any related party transactions during the year.

10. Financial instruments

Due to the non-trading nature of the Scottish Land Commission's activities and the way in which Government departments are financed, the Scottish Land Commission is not exposed to the degree of financial risk faced by business entities. The Scottish Land Commission has no borrowings and relies on grants from Scottish Government for its cash requirements. The Scottish Land Commission is therefore not exposed to liquidity risks. It has no material deposits and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

Financial assets are recognised on the Statement of Financial Position when the Scottish Land Commission becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired, or the asset has been transferred. The Scottish Land Commission has no financial assets other than cash and trade receivables. Trade Receivables comprises of prepayments and receivables this year. Prepayments do not meet the definition of a financial instrument. The financial instrument is therefore only cash and cash equivalents, details of which are in Note 6. Trade receivables do not carry any interest and are stated at their nominal value less any provision for impairment.

Financial liabilities are recognised in the Statement of Financial Position when the Scottish Land Commission becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been discharged, that is, the liability has been paid or has expired. The Scottish Land Commission has no financial liabilities other than trade payables. Trade payables are not interest bearing and are stated at their nominal value.

11. Subsequent events

Events taking place after the date the financial statements were authorised for issue are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March 2026, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information. There have been no material events between 31 March 2026 and the date of authorisation of these financial statements that require adjustment to, or disclosure in, these financial statements.

12. Segment information

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the organisation that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Scottish land Commission reports segmental information based on the priority areas and outcomes outlined in the Strategic Plan and agreed by the management team and the Board. The accounting policies of the reportable outcomes are the same as those accounting policies described in note 1 (page 83).

During 2025/26 the Scottish Land Commission delivered its programme of work through the following priority areas as set out in the Performance Report section (page 11) of the annual report. The table presents management information on income and expenditure relating to the operating segments for the year ended 31 March 2026. Other assets and liabilities are not reported on a segmental basis as they do not form part of the regular review by management to make decisions about resources to be allocated to the segment or to assess its performance.

Expenditure year ended 31 March 2026

	Core operating costs	Priority 1	Priority 2	Priority 3	Priority 4	Total
	£000	£000	£000	£000	£000	£000
Commissioner Costs	79				-	79
Staff Costs	1,310				-	1,310
Corporate Services	234				-	234
Communications and events	105				-	105
Other costs		69	10	1	-	80
Total	1,734	69	10	1	-	1,808



13. Prior year restatement

During the preparation of the 2025/26 annual report and accounts, the Commission identified that Other income of £51k had been presented within the Statement of Changes in Taxpayers' Equity in 2024/25. This income related to project and partnership income and should have been presented within the Statement of Comprehensive Net Expenditure.

The comparative figures have therefore been restated to recognise £51k of Other income in the Statement of Comprehensive Net Expenditure and to remove the corresponding £51k from the Statement of Changes in Taxpayers' Equity. The correction has no impact on the Statement of Financial Position, closing cash balance, closing taxpayers' equity or the overall closing General Reserve. The Statement of Cash Flows has also been restated to reflect the reclassification between operating and financing cash flows, with no impact on the net movement in cash.

Accounts Direction

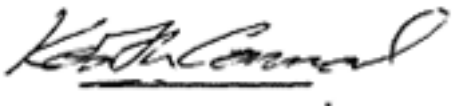


Scottish Government
Riaghaltas na h-Alba
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THE SCOTTISH LAND COMMISSION
DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in accordance with Section 19 of the Land Reform (Scotland) Act 2016, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2018, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts.

Signed by the authority of the Scottish Ministers.



10 May 2018

Ma tha sibh ag iarraidh lethbhreac den sgrìobhainn seo sa Ghàidhlig, cuiribh post-d gu **commsteam@landcommission.gov.scot** no cuiribh fòn gu **01463 423 300**.

If you would like to request a copy of this document in Gaelic, please email **commsteam@landcommission.gov.scot** or call **01463 423 300**.

Scottish Land Commission
Coimisean Fearainn na h-Alba

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Coimisean Fearainn na h-Alba

1,810,000.00	GIA
205,242.00	Expected Other Income
1,991,011.74	Allocated
24,230.26	Under / (Over) Budget

Priority Area / Annual Accounts Mapping	Annual Budget	Committed	Predicted Spend	Total Spend (To date)	Prepayments to 27/28	Accruals to 26/27	Year End Position	Notes
Priority 1 - Research & Policy								
Research & Policy	50,500.00	38,788.32	24,000.00	-	-		62,788.32	Final req expected late Nov
Strategic Plan total	50,500.00	38,788.32	24,000.00	-	-	-	62,788.32	
Priority 2 - Support & Advice								
Collaborations	10,000.00	10,000.00	-	10,000.00	-		10,000.00	
Strategic Plan total	10,000.00	10,000.00	-	10,000.00	-	-	10,000.00	
Priority 3 - Tenant Farming								
Legal and Professional fees	5,000.00	-	2,400.00	-	-		2,400.00	2 mediations are in discussion, PM has been sent req forms & supplier forms
Strategic Plan total	5,000.00	-	2,400.00	-	-	-	2,400.00	
Priority 4 - Land & Communities Commissioner								
Land Reform Act Costs	90,000.00	42,933.80	27,066.20	12,138.92	-		70,000.00	£20k reallocated. Model Lease removed below. Legal of £25k not confirmed - James estimated this to be Dec/Jan for legal review
Strategic Plan total	90,000.00	42,933.80	27,066.20	12,138.92	-	-	70,000.00	
Corporate Services								
Accommodation Expense	31,200.00	31,200.00	-	31,200.00	-		31,200.00	
Human resources Shared services	33,752.00	17,105.08	2,500.00	9,675.90	(437.34)		19,167.74	CM confirmed no further spend expected.
IT Shared services	80,450.00	89,090.84	7,300.00	68,796.47	(6,715.04)		89,675.80	£9k committed in year for SP transformation.
Legal and Professional fees	30,200.00	27,639.20	3,000.00	8,953.19	-		30,639.20	
Organisational Activity	9,062.00	8,341.60	9,120.00	8,003.85	-		17,461.60	Maxing out for DSE requirements, recruitment
External Audit Fees	40,000.00	- 1.00	35,000.00	-	-		34,999.00	
Internal Audit Fees	21,924.00	21,924.00	-	8,734.80	-		21,924.00	
ASCL Mini Charge	197.00	134.19	175.00	134.19	-		309.19	
Strategic Plan total	246,785.00	195,433.91	57,095.00	135,498.40	(7,152.38)	-	245,376.53	
Communications and Events								
Public meetings & Conference expenses	12,912.00	11,451.06	2,500.00	9,382.71	-		13,951.06	
Communications activity	42,837.00	26,250.09	6,600.00	20,609.09	(200.00)		32,650.09	Possible movement of funds to website development line (would need signed reallocation form)
Website Development	4,260.00	7,188.00	-	4,260.00	-		7,188.00	
Strategic Plan total	60,009.00	44,889.15	9,100.00	34,251.80	(200.00)	-	53,789.15	
Staffing								
Salaries	1,369,767.73	661,599.36	708,168.37	661,599.36	-	15,000.00	1,384,767.73	CNPA/KLTR removed below. Maternity cover not included or FBSL. Not included are staffing changes/increases.
PAYE/NIC	-	-	-	-	-		-	
Pensions	-	-	-	-	-		-	
	1,369,767.73	661,599.36	708,168.37	661,599.36	-	15,000.00	1,384,767.73	
Training	32,000.00	29,521.33	-	28,227.73	(49.75)		29,571.08	
Travel & Subsistence (Staff)								
Travel - Air	-	-	-	-	-		-	
Travel - Bus/Taxi/Bike/Ferry/Tram	1,508.00	216.83	300.00	216.83	-		516.83	
Travel - Car Hire	2,000.00	247.26	200.00	247.26	-		447.26	
Travel - Hotels	12,000.00	10,377.43	3,500.00	9,612.43	-		13,877.43	Inclusive of RHS hotels as per PY
Travel - Mileage	6,000.00	1,878.07	2,000.00	1,878.07	-		3,878.07	
Travel - Rail	4,000.00	2,174.50	1,500.00	2,174.50	-		3,674.50	
Subsistence	3,000.00	1,069.65	1,500.00	1,069.65	-		2,569.65	
Strategic Plan total	1,430,275.73	707,084.43	717,168.37	705,025.83	(49.75)	15,000.00	1,439,302.55	
Commissioners								
Salaries - Commissioners	83,942.01	39,305.18	44,636.83	39,305.18	-		83,942.01	
Travel & Subsistence (Commissioners)								
Commissioners - Travel - Air	-	-	-	-	-		-	
Commissioners - Travel - Bus/Taxi/Bike/Ferry/Tram	500.00	96.96	100.00	96.96	-		196.96	
Commissioners - Travel - Hotels	4,000.00	4,911.26	1,500.00	4,911.26	-		6,411.26	Inclusive of RHS hotels as per PY
Commissioners - Travel - Mileage	4,000.00	2,336.56	1,000.00	2,336.56	-		3,336.56	
Commissioners - Rail Travel	3,000.00	197.38	300.00	197.38	-		497.38	
Commissioners - Subsistence	3,000.00	192.90	500.00	192.90	-		692.90	
Strategic Plan total	98,442.01	47,040.24	48,036.83	47,040.24	-	-	95,077.07	
	1,991,011.74	1,086,169.85	884,866.40	943,955.19	(7,402.13)	15,000.00	1,978,733.63	

1,810,000.00	GIA	(15,000.00)	Recharges - SG Model Lease (Received)
(1,025,000.00)	Drawndown	(14,526.91)	Recharges - CNPA (Received)
785,000.00	Remaining	(40,656.18)	Recharges - KLTR (Received)
		(55,000.00)	Expected Recharges for Model Lease
2.02%	Percentage remaining	(39,403.09)	Recharges - CNPA (Expected)
		(40,655.82)	Recharges - KLTR (Expected)
1,810,000.00	GIA		
205,242.00	Other Income		
2,015,242.00	Total Income	1,773,491.63	Expected Year End Position
		97.98%	
1.81%	GIA % Remaining		
		36,508.37	Estimated GIA remaining

P&L Check	943,955.19
P&L Tab	943,955.19
Difference	-
Departmental Check	1,086,169.85
Dept Tab	1,086,169.85
Difference	-

Commissioners Board Meeting
Thursday 5th Nov 2026 Online

Paper No. 4
Annual Review of Strategic Risk Register

Purpose	To review the strategic risk register
Previous board papers	Nov 2025
Action required	For discussion

Background

It is good practice for the board to review annually the strategic risks facing the organisation and this was considered last year in November 2025. The strategic risk register is reviewed regularly at each Audit and Risk Committee, which also undertakes more detailed interrogation of individual risks, and the board receives a quarterly update of the strategic risk register.

The annual review provides an opportunity for the board to look beyond the immediate context and reflect on changes and/or emerging risks that are not sufficiently captured.

The strategic risk register is attached at Annex A.

Key Questions

The board is asked to consider:

- Are there significant new or changed risks that are not currently captured?
- Are there risks that no longer need to be on the strategic risk register?
- Do the recorded risk appetites remain appropriate?

Discussion

Through this year risks 2, 4 and 5 have remained high due to the uncertainties and dynamics of Land Reform Act implementation. While mitigations have been put in place, the ARC has acknowledged that these risks cannot be fully mitigated and we expect these to continue to demand attention over the coming year. More recently in Q3, risk 12 has increased due to the specific staff changes within the finance team, though this is expected to reduce again as a new appointment comes into post.

The board has recently discussed the risks associated with changes in the board composition, resulting from the appointment of a Land and Communities Commissioner and the proposed reduction in the number of Land Commissioners.

Hamish Trench

Chief Executive

Risk ID	Risk Description	GROSS RISK			Controls in Place	Control Effectiveness	NET RISK			Risk Movement	Risk Appetite	Action Taken/Planned	Target Risk	Target Review Date	Risk Owner
		Untreated Impact	Untreated Likelihood	Untreated Risk Score			Current Impact	Current Likelihood	Current Risk Score						
VISION: Fair inclusive and productive system of ownerhsip management and use of land that delivers greater benefit for all the people of Scotland															
RISK CATEGORY: DELIVERY															
1	Risk of catastrophic loss of systems resulting in the Commission not being able to operate as an organisation	5	4	**20**	Business continuity plan in place, cloud based IT system accessible outside of the office environment, cyber essentials plus accrediation, improved cyber security for log in to the network.	Effective	5	1	**5**	**Stable** →	**Averse**	Multi factor authentication implemented for network access. Cyber security requirements embedded in retendered IT service. Potential increase in cyber threats due to current political environment. Secured continued Cyber Essentials Plus accreditation. Transfer of finance and accounting software completed April 25 with back-up in place.	**5**	Mar-27	Head of Communications and Corporate services
2	Risk that Land Reform Bill creates increased obligations without sufficient resource leading to adverse impacts on delivery	4	4	**16**	Engagement with sponsor team on implications; aniticipating resource requirements; maintaining flexibility in medium term financial planning	Partial	4	3	**12**	**Increasing** ↑	**Minimalist**	Initial estimates of financial implications of new measures as drafted provided to sponsor team Oct 24. Reviewed as Bill amended. Projected costs provided for 26/27 budget planning. Initial provision in 26/27 GIA secured. Regular engagement with sponsor team, SG implementation timetable confirmed, initial estimates for 27-29 costs provided to sponsor team.	**6**	Mar-27	CEO
3	Risk that public finance constraints mean the Commission is unable to deliver planned work and/or is unable to react quickly to changes in priorities, reducing its effectiveness	4	4	**16**	Maintain team approach to delivery enabling staff to draw on capacity and expertise across the team as required; Quarterly progress reporting to Board	Effective	3	3	**9**	**Stable** →	**Cautious**	26/27 business plan focuses priorities. Planning shows additional resource needs on specific business areas and risk of LRA implementation being insufficiently funded. 26/27 GIA provides 7.7% increase. Medium term planning for changes in functions.	**6**	Mar-27	CEO
RISK CATEGORY: REPUTATIONAL															
4	Risk that appointment of a Land & Communities Commissioner creates unexpected governance or operational implications	4	4	**12**	Engagement with sponsor team on appointment process; business planning to include operational preparations.	Partial	3	4	**12**	**Increasing** ↑	**Cautious**	Appointment anticipated 27/28. 26/27 work to plan operational approach and identify governance implications.	**9**	Mar-27	CEO
5	Risk that delays to, or lack of clarity in expectations of implementation of the Land Reform Bill impacts the Commission's reputation and stakeholder relationships	4	3	**12**	Engagement with sponsor team on planned timetable and SLC role	Partial	3	3	**9**	**Increasing** ↑	**Cautious**	Monthly meetings with Act implementation team in place. SG confirmed broad timetable. Regular engagement with stakeholders needed to maintain clarity in roles and expectations.	**6**	Mar-27	CEO
6	Emerging issues result in reactive policy making, and relationship management.	5	4	**20**	Proactive horizon scanning to anticipate future issues, work closely with stakeholders and put internal processes and measures in place for handling.	Partial	3	3	**9**	**Stable** →	**Cautious**	Close engagement with stakeholders and sponsor team to identify potential issues in advance and take action. Clear case handling and internal communications procedures. Land Reform Act creates new dynamics but clarity of SLC focus agreed with board. New strategic plan provides direction and priorities.	**6**	Mar-27	CEO
7	Risk that the land reform policy narrative is seen as narrow or disconnected from wider public and government ambitions	4	3	**12**	Develop strong narrative between role of land in economic recovery and delivering wellbeing economy, climate action, and reducing inequalities. Implement strategic communications plan, including maintaining strong digital and media presence; regular performance monitoring	Effective	2	3	**6**	**Stable** →	**Open**	New website launched and improved e-newsletters provide regular overview of Commission's work. ScotLand Futures provides framing for narrative and future priorities. Met with Cab Sec post election. New strategic plan connects to wider government context.	**6**	Mar-27	Head of Communications and Corporate services
8	Risk that failure to maintain effective relationships with key stakeholders impacts on our ability to deliver and constrains opportunities for collaboration.	5	4	**20**	All relevant stakeholders are identified and a clear engagement strategy put in place, Commission presence at key stakeholder events, regular liaison meetings with stakeholders and periodic review of stakeholder analysis	Effective	2	2	**4**	**Stable** →	**Open**	Perceptions Audit provides insight, assurance and issues to watch. Structured engagement through standing advisory groups, bilateral stakeholder engagement via Commissioners and staff. Wide engagement on ScotLand Futures. Continued bilateral engagement re Act implementation.	**4**	Mar-27	CEO
9	Risk that insufficient relationships across Scottish Government and Parliament result in reduced impact and value from the Commission's work	5	4	**20**	Ensure regular engagement between the Commission Chair and the Minister, and between the Tenant Farming Commissioner and Minister. Ensure regular engagement between the CEO and the SG Sponsor and Policy Teams.	Effective	2	2	**4**	**Stable** →	**Open**	Regular sponsorship & land reform team liaison in place. Engagement in other formal SG structures eg EELG. Annual board meetings with Cab Sec. Board met with new Minister post-election. E-newsletter to all MSPs post-election. Chair & CEO meeting with new sponsorship Director July.	**4**	Mar-27	CEO
RISK CATEGORY: COMPLIANCE															
10	Failure to have in place or adhere to statutory or non-statutory corporate governance policies or procedures.	4	4	**16**	Ensure internal control system in place; Work to the production timetable for completion of all documents, and disseminate widely to ensure maximum awareness.	Effective	2	1	**2**	**Stable** →	**Minimalist**	Using checklist of assurance controls; 26/27 internal audit plan underway; 25/26 year-end and annual report preparation on schedule; staff responsibilities for data, information, climate reporting and other duties identified.	**2**	Mar-27	CEO
11	The Commission fails to deliver to its allocated budget, resulting in reputational, administrative and governance failures.	5	4	**20**	Corporate and Business plan set appropriate budget allocations. Work to specified monitoring cycles, reporting requirements, and guidelines set out in the SPFM. Ensure correct adherence to authorisation procedures and delegated limits. Close monitoring of spend and profiled spend.	Effective	2	2	**4**	**Stable** →	**Averse**	Improvements to budget monitoring and reporting made in 25/26. Monthly MT and board monitoring in place. Transfer to new finance software from 1st April completed to reduce manual data input and further improve consistency and format of reporting. Year end outturn on target.	**2**	Mar-27	CEO
RISK CATEGORY: STAFFING															
12	Staff turnover or absence due to illness etc resulting in loss of capacity for critical elements of business systems and delivery.	5	4	**20**	Ensure good internal communication and provision of desk instructions for business critical functions. Reslience planning to ensure backup capacbility within staff team. Continuously seek to improve the working environment by monitoring and improving staff satisfaction and absence levels.	Partial	2	3	**6**	**Increasing** ↑	**Cautious**	Ongoing absence monitoring in place. Resilience improvements in corporate team implemented. Desk instructions for critical tasks in place. Policy to review all vacancies at board level. Short-term increase in risk with staff changes in finance team being mitigated by focus on business critical priorities and reallocation of responsibilities.	**4**	Mar-27	Head of Communications and Corporate services
13	Risk that staff wellbeing is adversely impacted by changes in priorities or insufficient prioritisation.	5	4	**20**	Open and transparent - hold regular staff meetings, keep all staff informed of big picture direction, changes in priorities/focus. Overview through management team. Strong internal comms and leadership from managers to ensure wellbeing of staff and responsive ways of working.	Effective	2	3	**6**	**Stable** →	**Cautious**	Regular staff surveys and action plan in place. Training and development plan in place. Business Plan prioritisation matched to resource capacity. Monthly all staff meetings and individual line management meetings in place. Internal audit review on staff wellbeing undertaken.	**4**	Mar-27	Head of Communications and Corporate services

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Commissioners Meeting 5th November 2026

Online

Paper No. 5

Land Market Reporting

Purpose	To highlight the key findings from the 2026 Rural Land Market Data report, and outline next steps for the series
Previous board papers	N/a
Action required	For information

Background

Every year the Commission publishes two Land Market Reports, this year the Insights Report was published in June 2026, and the Data Report will be published shortly. This dual approach to market reporting allows us, and those following our reports, to understand both the qualitative motivations and rationales driving behaviour in the Scottish rural land market, as well as the quantitative numbers of transactions and values.

The Rural Land Market Data Report 2026, produced in partnership with Scotland's Rural College (SRUC) focuses on the number and value of rural land sales in Scotland. The report presents the findings of an analysis of rural land transfers data in 2025 from Registers of Scotland (RoS), presented alongside the findings from the previous years (2020-2024 inclusive) to help illuminate any recent trends.

The Rural Land Market Data Report 2026

The report covers rural land market transactions in the calendar year 2025. Building on an improved methodology, our analysis shows that in 2025 rural land sales reached a six-year peak with 311 transactions covering 75,562ha, representing approximately 1% of Scotland's total landmass.

This high volume of official registrations somewhat contrasts with the findings of the Insights Report which describes a cautious and subdued market heavily influenced by macroeconomic factors, Inheritance Tax reforms, and perceived uncertainty around regulatory requirements.

Transactions of landholdings over 1,000ha reached a record high of 16 sales (5.1% of the total).

Number of rural land sales by category 2020-2025

	2020	2021	2022	2023	2024	2025	Total
Estate	25	23	25	22	16	29	140
Farmland	126	154	156	140	146	221	943
Forestry	92	82	54	37	41	61	367
Total	243	259	235	199	203	311	1450

Farmland market analysis

Total farmland market value achieved a series high of £266.3m, while average per hectare values eased slightly to £15,700 (down from £16,502 in 2024). The average farm sale size remained modest at 86ha.

Forest market analysis

There were 61 transactions of forestry land totalling 20,421ha, with a total value of £314.3m, though this figure is heavily influenced by two "record-breaking" sales: the Griffin Forest and the Caledonian Forestry Portfolio. Excluding these two transactions, the underlying market value was £140.4m. Underlying per-hectare values remain low compared to the 2021 peaks, averaging £12,017 per ha overall (or £11,500 per ha excluding the two large portfolios).

Estate market analysis

The data shows 29 completed estate sales covering 36,238ha. The total market value for estates peaked at £157m, recovering sharply from a low of £50.4m in 2024. The average sale price also reached a six-year high of £5.41m. 2025 saw ten estate sales exceeding 1,000ha the highest recorded in the report series to date.

Future of SLC Market Reporting

Having published these reports for the past five years, we have now commissioned an independent evaluation of our work. This evaluation will include a policy impact assessment, an economic value assessment, and a process/methodological review. This will help us reflect on how we produce these reports and identify ways to streamline and improve the approach in future.

Given the timing of the evaluation, and to ensure continuity, we have already commissioned the agent interviews for the next Rural Land Market Insights report.

Julie Rostan

James MacKessack-Leitch

Scottish Land Commission

Online

Paper No. 6

Land Data Workstream update

Purpose	To update board on the land data workstream & future opportunities
Previous board papers	Tax, Rural Land Market report- various
Action required	For discussion

1. Background

Scotland's data on land ownership, value and use is fragmented and is held by different public bodies. In 2026 the SLC recommended making better use of land data for tax policy as part of its modernising land tax administration route-map. The Land Data Implementation Group that is being developed by the SLC and workstream on land data is an opportunity to bring together key organisations and help coordinate delivery of a more complete and joined-up system of land information.

Beyond taxation, there are several key drivers for building a more integrated, modern land data system.

Public Service Reform

Creating a more coordinated approach to collecting, using and managing data across the public sector enables new opportunities, reduces uncertainties for policy and investment (being able to model and measure policies), saves on duplication and more streamlined service delivery and creates public value. This is highly relevant to Scotland's public service reform agenda.

International context

Research on international land information systems demonstrates the benefits that different models and approaches to transforming Scotland's approach to land data and joining up data on ownership, use and value.[1] Scotland could make improvements that would bring it more in line with modern, international best practice.

Informing policy

The potential users and policy areas that require access to current and complete land data are wide-ranging. This includes public bodies, agencies and government

[1] Learning from international cadastral systems for transparency, tax, and valuation and Approaches to land valuation in the tax system

delivering vital public services. Data is also foundational for public policy, monitoring and enforcement.

The SLC's tax advice highlights the way in which the lack of data on land ownership, tenure, use and value limits policy options available to ministers. There are parallels in other policy areas with up-to-date and complete data being important for land for housing, informing investment and spend, and wider land use policy. Significantly, access to data will be essential for SLC's reporting duties under the Land Reform (Scotland) Act 2025 and to support the work of the Tenant Farming Commissioner on small landholdings.

2. Current activity

We have identified the following deliverables as part of the land data workstream in our current 2026-27 business plan (more detail in annex):

1. Publish annual rural land market data and insights reports.
2. Develop business case for long-term rural land market reporting.
3. Complete planned advice on a route-map for reforms to taxing land.
4. Scope data requirements and information systems to support the operational functions of the Land and Communities Commissioner.

3. Strategic priorities & opportunities

Land Data Implementation Group

The SLC has been engaging and collaborating with several public bodies including Registers of Scotland, Revenue Scotland, Improvement Service and Scottish Government on the scope and role of the Land Data Implementation Group. More detail on the group is found in the annex.

This engagement has shown that there is momentum and shared interest in working together to improve access and availability land data across the public sector. It has also become clear there is there is a need to coordinate activity in this space at a national level as no single organisation has oversight or is driving forward this agenda. Importantly, the fragmentated state of data means that a collaborative effort is required to bring together key components and actors in the system. This group is a potentially significant opportunity to transform Scotland's approach to land data.

The SLC is well placed to convene this group and help coordinate a programme that identifies and delivers system improvements so that land data better informs decision-making and delivers public value. We are proposing that this group will map existing data, identify gaps and needs and priorities, working towards a more integrated system that serves relevant policy areas and improves transparency.

There are risks around deliverability and that the scope/membership of the group becomes too broad for meaningful delivery. This will be mitigated through an agreed

set of priorities and programme. The SLC does not hold any data or itself is responsible for delivery of improvements, so delivery and associated reputational risks are significantly dependent on others. However, SLC can play a valuable role in convening and co-ordinating an approach that maintains a focus on the overall goal.

SLC Strategic Plan 2026-29

SLC's strategic plan 2026-29 includes a priority on improving land data. The aim is to create a more joined-up land data system, improving data quality, collaboration and accessibility for data on land ownership, value and use. It states that by 2029 we aim to have:

- Convened key public bodies and be implementing practical short-term improvements to data collation and availability;
- Developed an achievable route-map for deliverable steps towards the goal of a more integrated land information system;
- Improved data to support development of the tenant farming sector;
- Secured continued annual rural land market reporting, further building the trend data and providing annual insight;
- Advised on steps to put in place the data and systems necessary to underpin potential reforms in taxing land;
- Collated data and baseline information needed to inform review of the impact of land reform measures, including Part 1 of the 2025 Act.

The SLC will progress the aims of the plan and set out more detail through its programme of work and future business plans. However, there is currently a strategic opportunity and potential for the SLC's Land Data Implementation Group to become a mechanism to help deliver an integrated system of land information. The board is asked to note the opportunity and potential for this to become a significant SLC workstream priority for the coming years.

4. Next steps

Next steps for the land data workstream by end of 2026 include:

- Establishing and first meeting of the Land Data Implementation Group
- Publishing the Rural Land Market Data report
- Deliver key engagement activities including DataPoints blog series and presentation to House of Commons researchers.

The board is asked to discuss the overall approach and opportunities identified.

Kathie Pollard
Head of Policy

Commissioners Meeting 5 November 2026

Online

Paper No. 8

Land Reform Act Implementation Progress Report

Purpose	To provide a regular progress report on implementation
Previous board papers	1 October 2026
Action required	For information

Purpose: to provide the board with a regular update on implementation of the Land Reform Act that identifies current actions and any significant implications in relation to the relevant delivery, financial and reputational risks identified in our strategic risk register.

Relevant strategic risks:

- *Risk that Land Reform Bill creates increased obligations without sufficient resource leading to adverse impacts on delivery;*
- *Risk that appointment of a Land & Communities Commissioner creates unexpected governance or operational implications;*
- *Risk that delays to, or lack of clarity in expectations of implementation of the Land Reform Bill impacts the Commission's reputation and stakeholder relationships.*

General progress update:

Recruitment for the LCC is scheduled to open on 30 October, with interview arrangements in place for January. Scottish Government has published the consultation on the Community Engagement Obligation and draft guidance on defining holdings in scope. The consultation document repeats the timetable previously provided for implementation of Part 1.

Government has not yet set out the implementation timetable for Part 2, meaning that resource planning for the increased scope of the TFC function has not been able to progress further.

To encourage participation in the consultation, we have a webinar for community organisations scheduled and are using our series of land agent engagement events in November to focus on this. We will include the consultation on the agenda at our Community Land Leadership Group and Good Practice Advisory Group meetings, with members of the Act Implementation team in attendance. We are also convening a roundtable with legal advisers to discuss the definition of holdings in scope. We will attend the community meetings that Scottish Government is holding. Dates are confirmed for events in Inverness, Broadford, West Harris and Ullapool, and further events are expected in Pitlochry, Oban and Thornhill.

The Commission will respond to the consultation, with board discussions scheduled in November and December to shape this.

Internally we have in place programme management arrangements to co-ordinate our work on implementing Part 1 of the Act. The priority at this stage is preparations for the Land and Communities Commissioner role in relation to the community engagement obligation.

There have been changes to the Scottish Government team responsible for act implementation with colleagues who worked on bill development departing for other roles. Recruitment is expected to take place to fill the vacancies in the team.

Key risks at this point are:

- Uncertainty in resourcing for 27/28 – planning for staff resource for Part 1 and Part 2 dependent on outcome of Scottish Government budget;
- Uncertainty on implementation timetable for Part 2;
- The consultation that has been published is complex and there are many events planned to help increase understanding and encourage responses - this impacts staff capacity;
- Changes to the Implementation Team at Scottish Government – need to build relationships with new team members once recruited.

26/27 priorities:

Topic	26/27 Business Plan priorities:	Milestone:	Progress commentary
Land & Communities Commissioner	Support Scottish Government in the appointment process for a Land and Communities Commissioner	Recruitment process underway	Recruitment scheduled to be advertised 30 October with interviews first week of January. SLC hosting online information session 10 Nov.
	Prepare the internal governance and scope operational approach ahead of appointment	Staffing support in place ahead of appointment	Scheduled through 26/27. Board to considered internal governance arrangements Oct. Proposed new post of Land & Communities Manager is dependent on 27/28 budget, recruitment pending budget clarity.
	Scope data requirements and information systems to support the operational functions of the Commissioner	Data and systems needs identified	Discussions underway with SG and Registers of Scotland on options for hosting LMP database, in wider context of seeking data integration. Scoping our requirements for contact management system planned Q4, seeking examples from other bodies' experience in meantime.
Land Commissioner functions	Deliver on the amended functions for Land Commissioners, including through development of our next strategic plan	Strategic plan sets out how additional 'matters relating to land' are addressed	These changes commenced via SSI on 16 March 2026. Our strategic plan references the amended scope and sets out the priorities and focus for the Land Commissioners.
Tenant Farming Commissioner functions	Deliver on the amended functions of the Tenant Farming Commissioner in relation to small landholdings and Codes of Practice	Delivery plan in place	TFC time allocation has now increased to 12 days/month and the additional tenant farming officer post is now in place. Review of Codes of Practice is being built into the TFC and TFAF work programmes.

			No certainty yet on timetable or resourcing for extension of TFC scope to small landholdings.
Model lease for environmental purposes	Lead work to develop a model lease for environmental purposes including wide stakeholder engagement and legal advice	Complete scoping Legal work on model clauses underway	The project is progressing on track with the initial series of stakeholder roundtable meetings underway and advisory group established. Additional funding arrangements in place with SG. Board update scheduled Dec.
Community Engagement Obligation	Advise on implementation of the Community Engagement Obligation and Land Management Plans	Advice to Scottish Government	SG published consultation which closes 26 Jan. Board discussions scheduled Nov & Dec to inform SLC response.
	Scope operational approach to L&CC role and consider interaction with the existing good practice programme	Advice to board	Board discussion on the community engagement obligation and Land Management Plans held Aug, planning work ongoing.
Transfer test	Advise on development of guidance and regulations in relation to the Transfer test	Advice dependent on SG timescale	Engagement with SG to support work on clarifying the holdings in scope. Draft Guidance on defining holdings in scope published by SG as part of consultation.
	Scope operational approach to L&CC role and implications for the Commission	Advice to board	Work on lotting role not started yet. Scheduled in programme plan.
Monitoring and Review	Scope requirements for baseline and monitoring plan for the future review of the effectiveness of Part 1 of the Act	Baseline requirements identified	Scheduled through 26/27. Project initiation in place for data workstream that includes establishing a baseline for future monitoring of impact.

Hamish Trench

Chief Executive