

What's happening with Annual Ground Rent (AGR) ?

The pace of Scotland's centuries-old land reform has been glacial even for those of us for whom manana conveys a sense of urgency.

Why should this be? It's all a matter of the Haves and the Have-nots. The definitions of the Haves expand with each episode of land reform and include personal, corporate, institutional, charitable and governmental interests. Yet the time drag on land reform has hardly lifted the Have-nots out of poverty.

In 2018, the Scottish Land Commission which was established in 2017, published a ten year + programme for land reform. None of its objectives included land as a source of public funding, (AGR). This is somewhat surprising since Scotland's political establishment overwhelmingly accepts that principle.

Following the SNP 2017 Spring Conference, which passed the principle by acclaim, the then Cabinet Secretary for Finance, Derek Mackay referred AGR to the Scottish Land Commission who then engaged the University of Reading to examine inter alia systems of land valuation taxation in other countries and report thereon. The report entitled *Investigation of Potential Land Value Tax Policy , Options for Scotland* concluded that while there were potential benefits and challenges with forms of land value taxation there was not the empirical evidence that they definitely delivered the benefits often claimed of them.

In its response to the report the SLC restricted its definition of AGR as "a tax based on the unimproved value of land, ignoring any property or infrastructure that might be on it". Despite its all-embracing title the report made no attempt to consider AGR which did not rely on property valuations. Thereafter the Commission published a briefing paper effectively kicking AGR or any of its land taxation variations well and truly into the long grass.

That paper listed five practical considerations before AGR should be considered: public acceptability and awareness; completion of the Land Register, specific planning use for every parcel of land, land valuation and interaction with other taxes.

From what I have read there has been no attempt by the SLC to proactively engage the public in AGR. An obligation on land owners to register for AGR will expedite the completion of the Land Register. AGR can be introduced using existing land types. Valuation is not required if a standard rate is applied per square metre on all land, floor and roofs regardless of their condition. Some models of AGR can replace all existing taxation and fund a worthwhile Universal Citizens Income.

The Agenda for the SLC public conference in October 2019 entitled "Scotland's Land and Economy" all but ignored AGR save for a 10 minute slot when an SLC official gave a brief resume of the Reading University report but did not take questions thereon.

The event's keynote speaker, the Cabinet Secretary for Environment, Climate Change and Land Reform, Roseanna Cunningham made no mention of AGR in her address. as she understood that it would not be a major focus of the Conference. Under questioning she confirmed that AGR was still under government discussion. As AGR was repeatedly raised from the floor the Chair of the SLC conceded that AGR had been one of the main topics of the conference. Subsequently I and others have sought to meet with the SLC to discuss AGR but we have been denied that opportunity.

The SLC currently concentrates its efforts on: how rural and urban land is used; how the pattern of land ownership can be modernised; improving the relationship between land owners and tenant

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farmers; accessing land for those who wish to farm; and transforming vacant and derelict land. Yet why does the SLC fail to host a major conference on AGR particularly when the work it is undertaking can be more effectively and directly delivered through AGR and with considerably less cost to the public purse?

Land reform is the ultimate national power with responsibility. That's why our home is called Scotland. Responsibility lies in its stewardship and use as a source of public funding to change lives for the better. The SLC has been handed the keys to open the gates to that transformational power but the lock won't budge until AGR is debated, dissected and delivered.

Our government is currently shouldering the Pandemic challenge with great fortitude, honesty, skill, sense and kindness which, as we know, are not words which can readily be applied to its Southern counterparts.

Now more than ever it behoves those in the SLC, our government, its agencies and officials who are less in the eye of the Pandemic storm but are charged to progress a wellbeing and economic response, to engage with our land as the principal source of our public funding so that we may all enjoy fulfilling lives and become the Haves.

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