



# Land in Society and the Economy

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*“I will not allow house prices to get out of control...”*

Source: Gordon Brown, Budget Speech 2 July 1997



“Ireland stands as a shining example of the art of the possible in long-term economic policymaking”

Source: George Osborne, Speech in Dublin, 23 February 2006



“ .. the lesson we draw from our neighbours in Ireland - the Celtic Tiger economy - where annual growth has averaged more than 6% over the past two decades, is that with the right strategy, there are no limits to success in the modern global economy.” Speech at Harvard University 31 March 2008



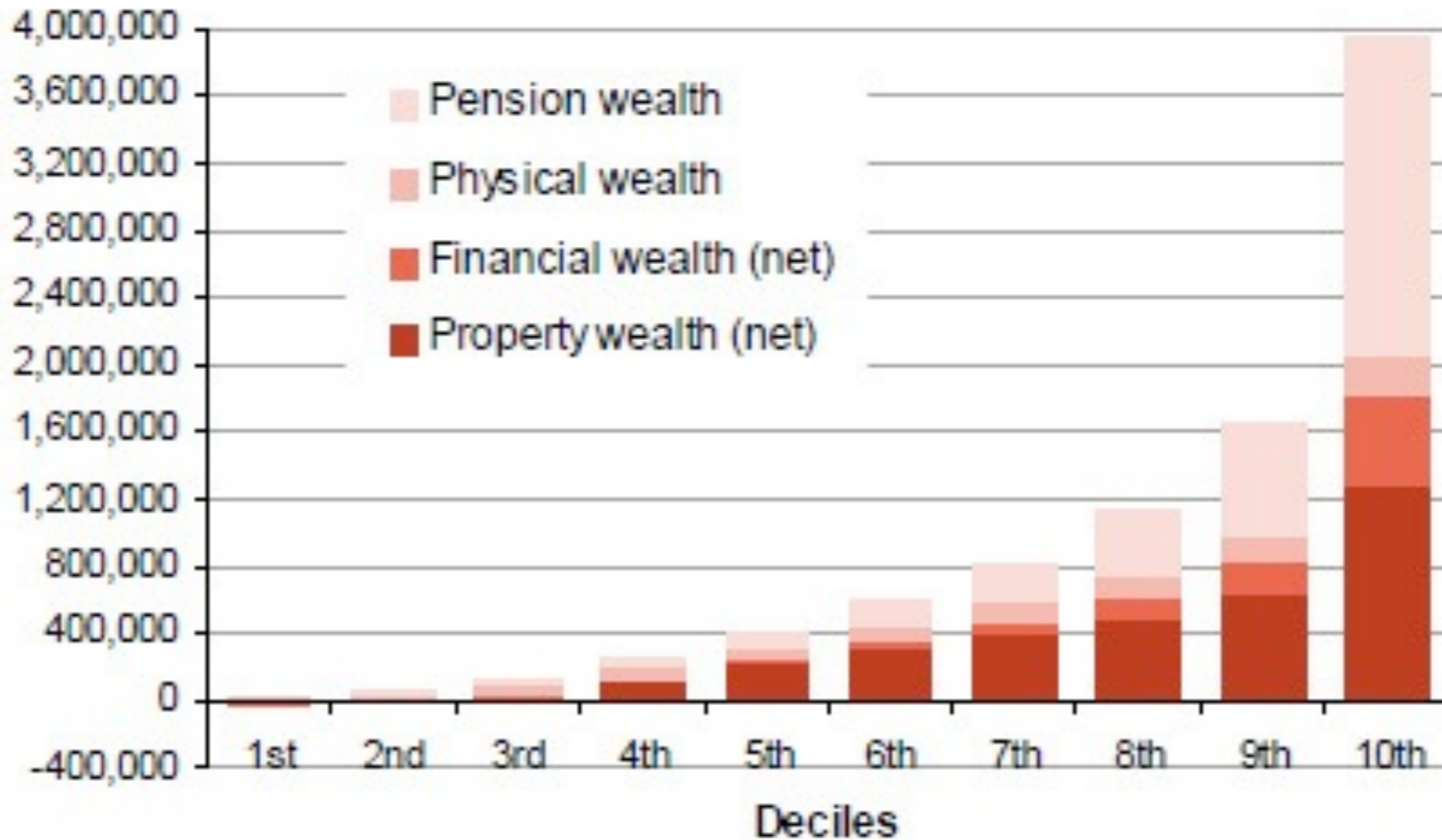
“[a]t the height of the lunacy, around three-quarters of the total lending by Irish banks – €420bn or about two and a half times the size of the economy – got bound up in property, construction and land speculation of one sort or another”.

“.....a sort of Northern Rock on steroids.”

Source: Financial Time. How bankers brought Ireland to its knees By David Gardner May 15 201

£ million

## Wealth distribution in Great Britain



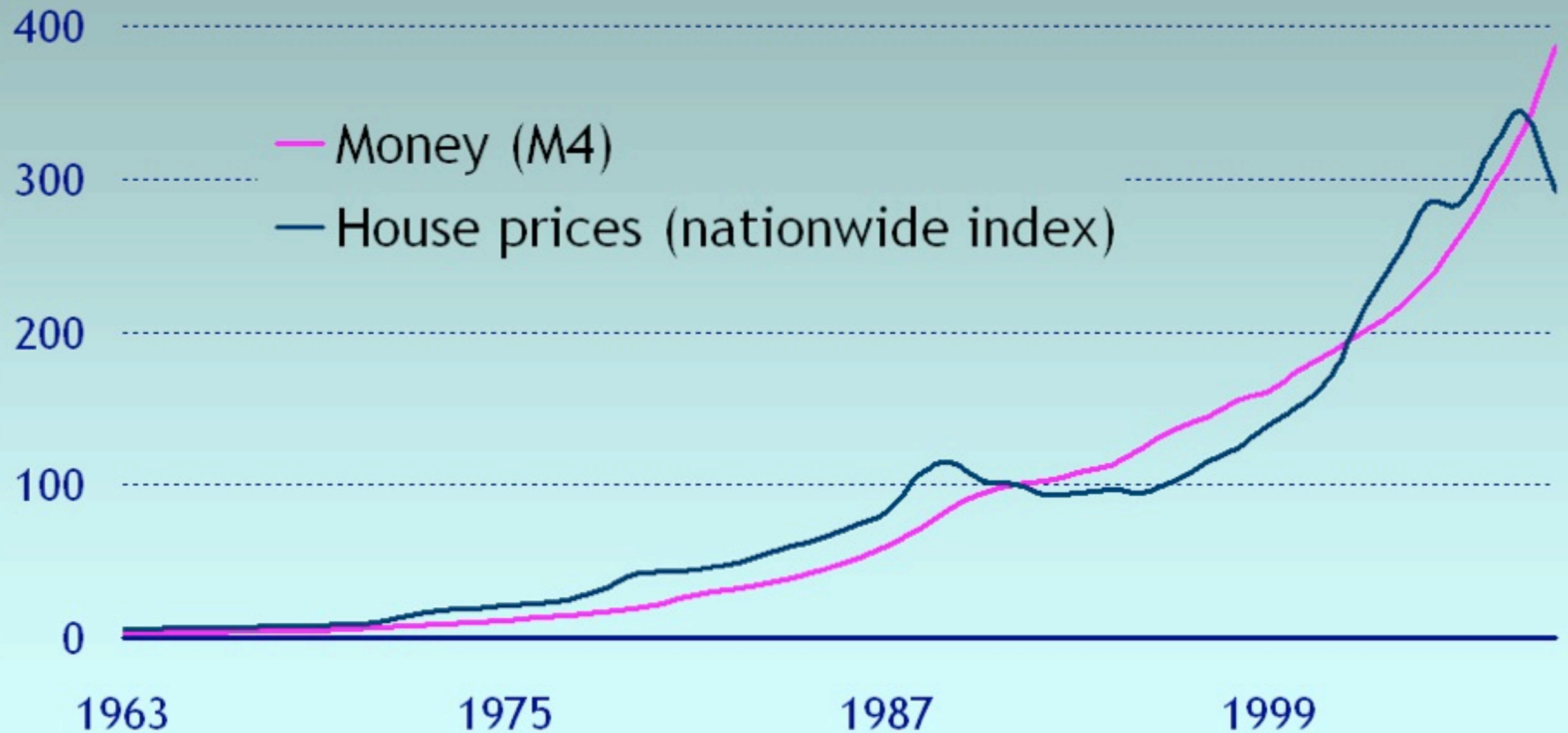
Source: Office for National Statistics

Bottom half own 9% of all the wealth between them. The top fifth own 62% of all the wealth.



# UK money supply and house prices

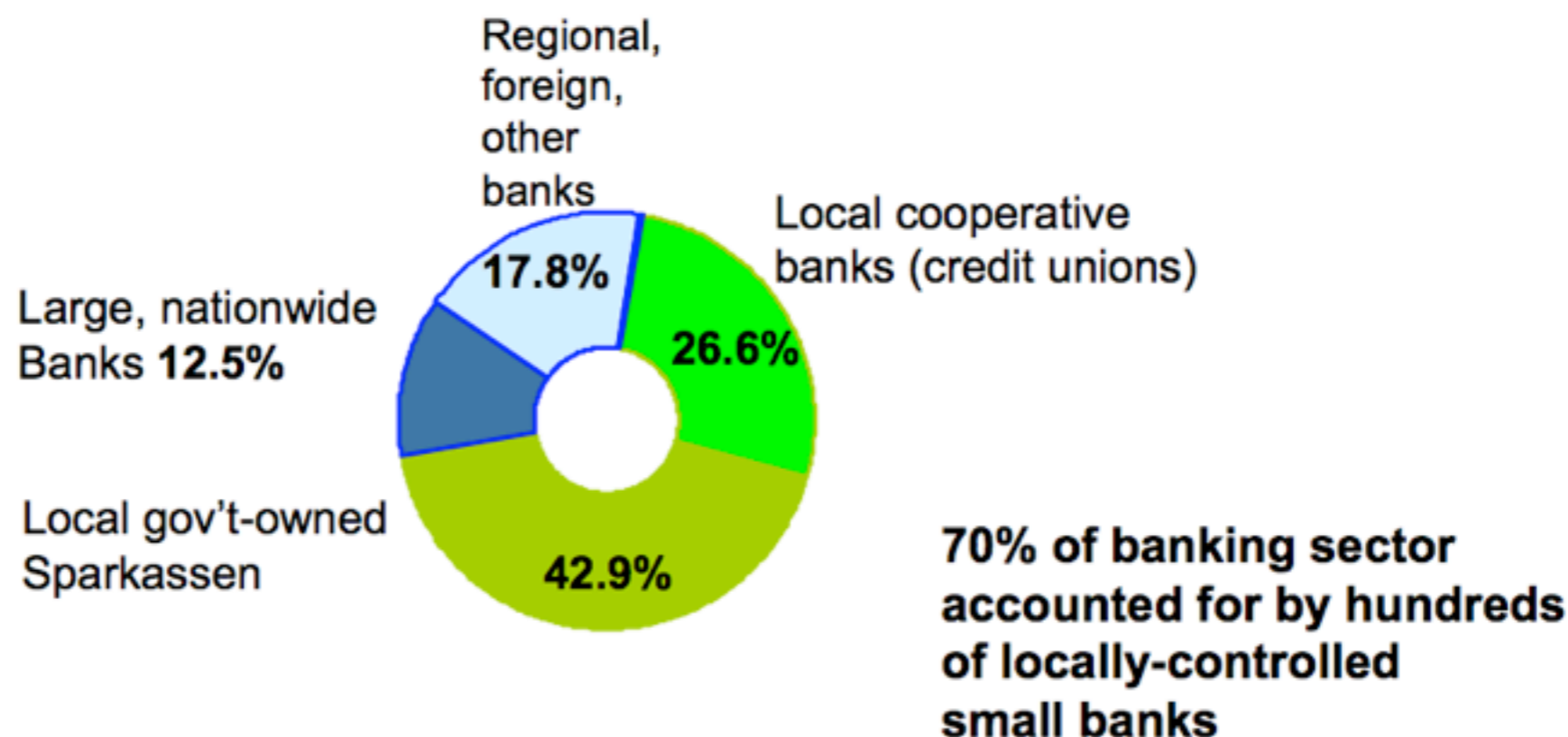
(1990=100)

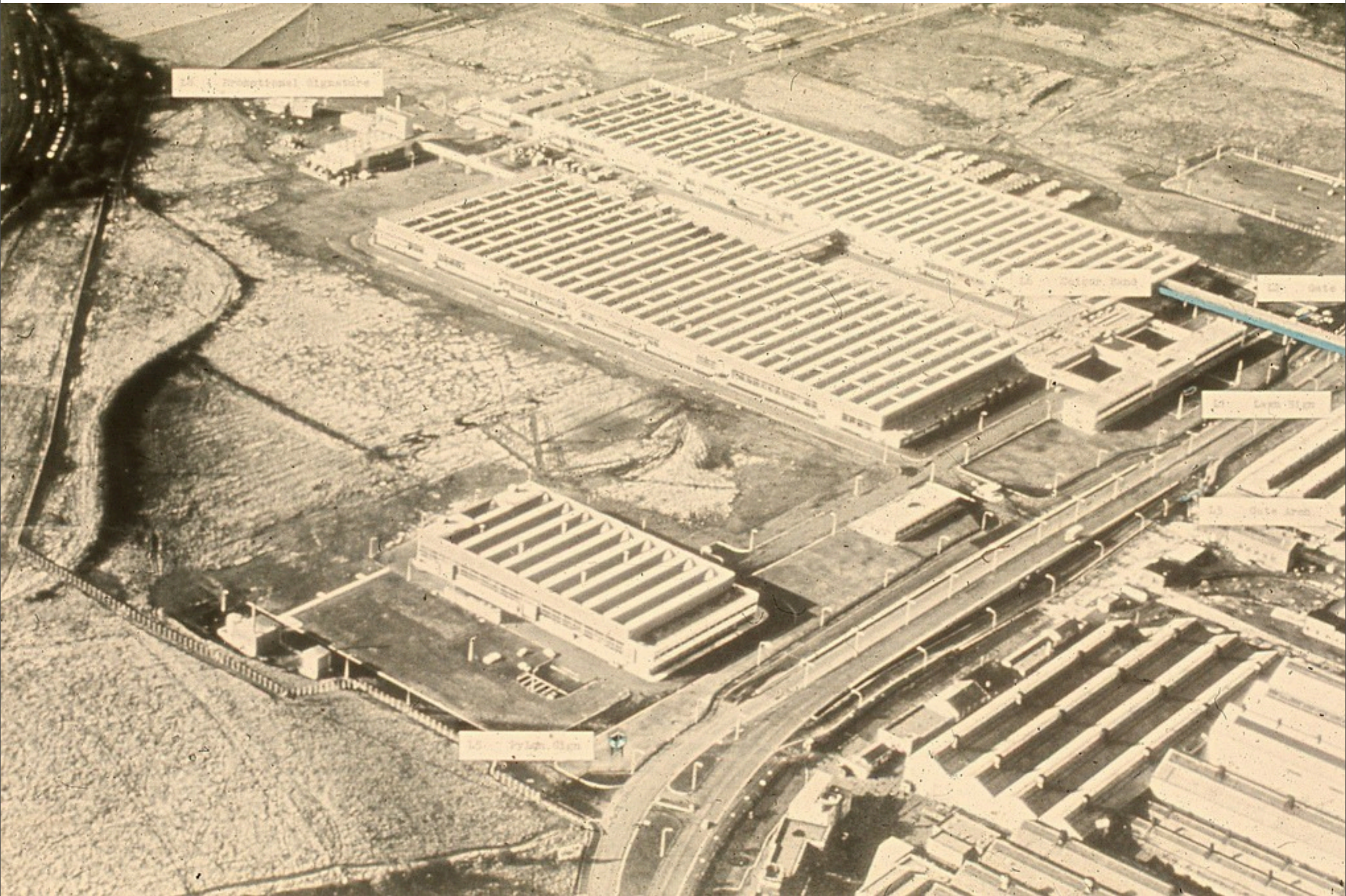


## Policy Lessons

- Another way to obtain a sustainable allocation of credit creation is to **shape the structure of the banking sector** so that banks dominate, which have **no interest in harmful speculative credit creation**: **small, locally-headquartered banks.**

### Banking in Germany







“From 2001, Balmore's stewardship was simply a disgrace, following on from years of neglect. Balmore repeatedly refused to meet community or elected representatives.”

Wendy Alexander MSP



"In 2005 and 2006, when I and many in the community were actively looking for a major retailer to step in ... the Tesco representatives.... gave no indication to the community of any longstanding relationship with Balmore. They should have done so."

Wendy Alexander MSP

“... Tesco came in like a knight in shining armour and said they were going to fix it. It was all a con.”

Linwood Councillor Annie Hall, West Renfrewshire Council

“It is common for Tesco to use an agent and secure land, Balmore Properties was an agent for Tesco at that time.”

Spokesperson for Tesco



## Welcome to the official website for the Tesco redevelopment of Linwood town centre

Renfrewshire Council has granted planning permission for Tesco to develop a new supermarket and modern retail units in Linwood and to facilitate the creation of a new community hall, library and office space. The store is scheduled to open in 2013.

Tesco will continue to communicate with the community throughout the development process. If you have any ideas, suggestions or questions about the project please let us know via [this website](#).

**All feedback is welcome.**

### Contact Us

We are here to answer your questions about the redevelopment plans for Linwood Town Centre. If you are unsure about any aspect of the scheme, how we got to this stage or how the project relates to the community you can find the answer or ask a question here.

[Read more about this](#) »

1 2 **3** 4

[Next](#)

### News & updates







Tot 2

Residential Development Opportunities  
Upper Deeside, Aberdeenshire

[savills.co.uk](http://savills.co.uk)



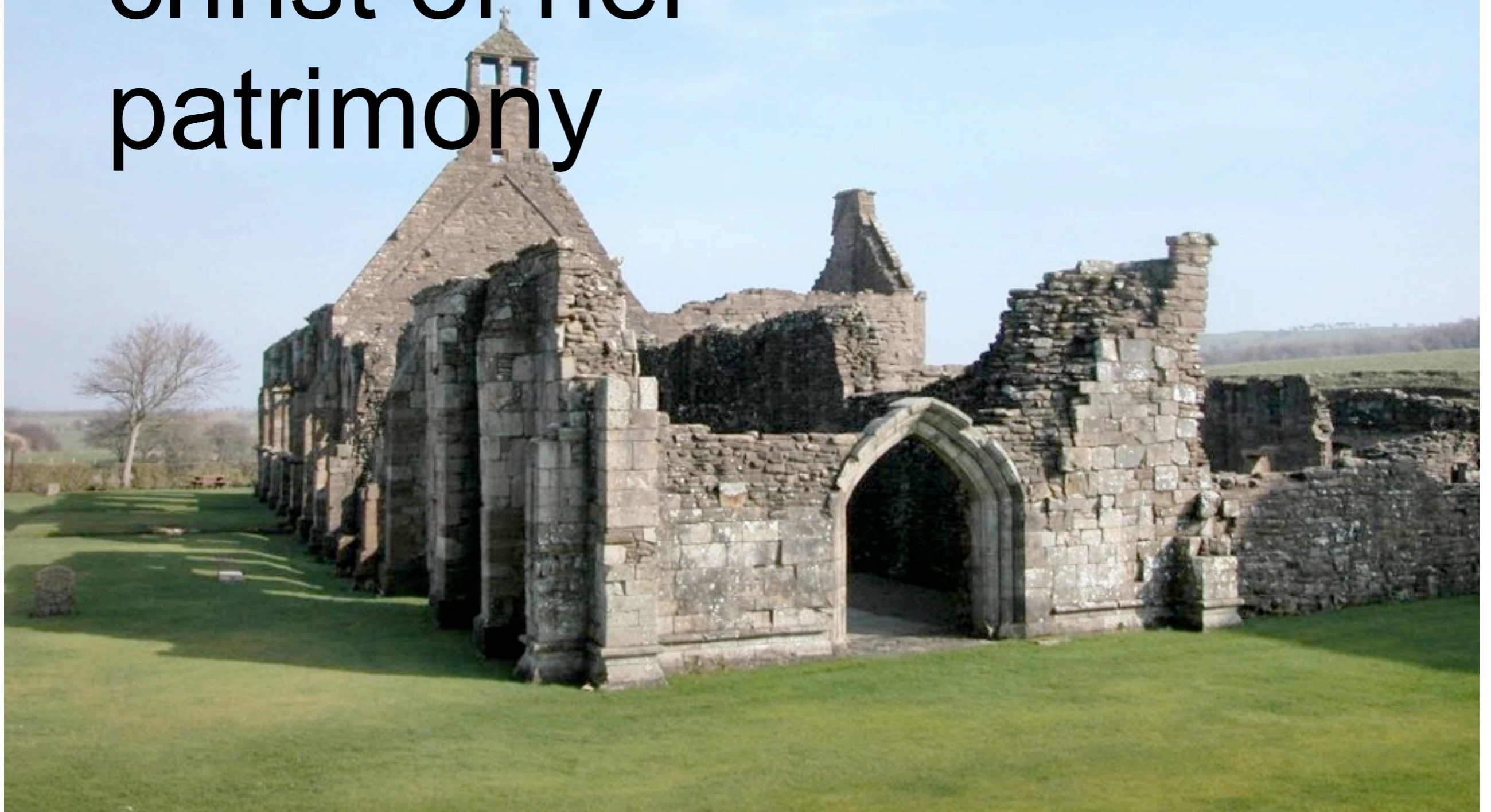
The 1st Land Grab

# Feudalism



The 2nd Land Grab

to spoil the kirk of  
christ of her  
patrimony





The 3rd Land Grab

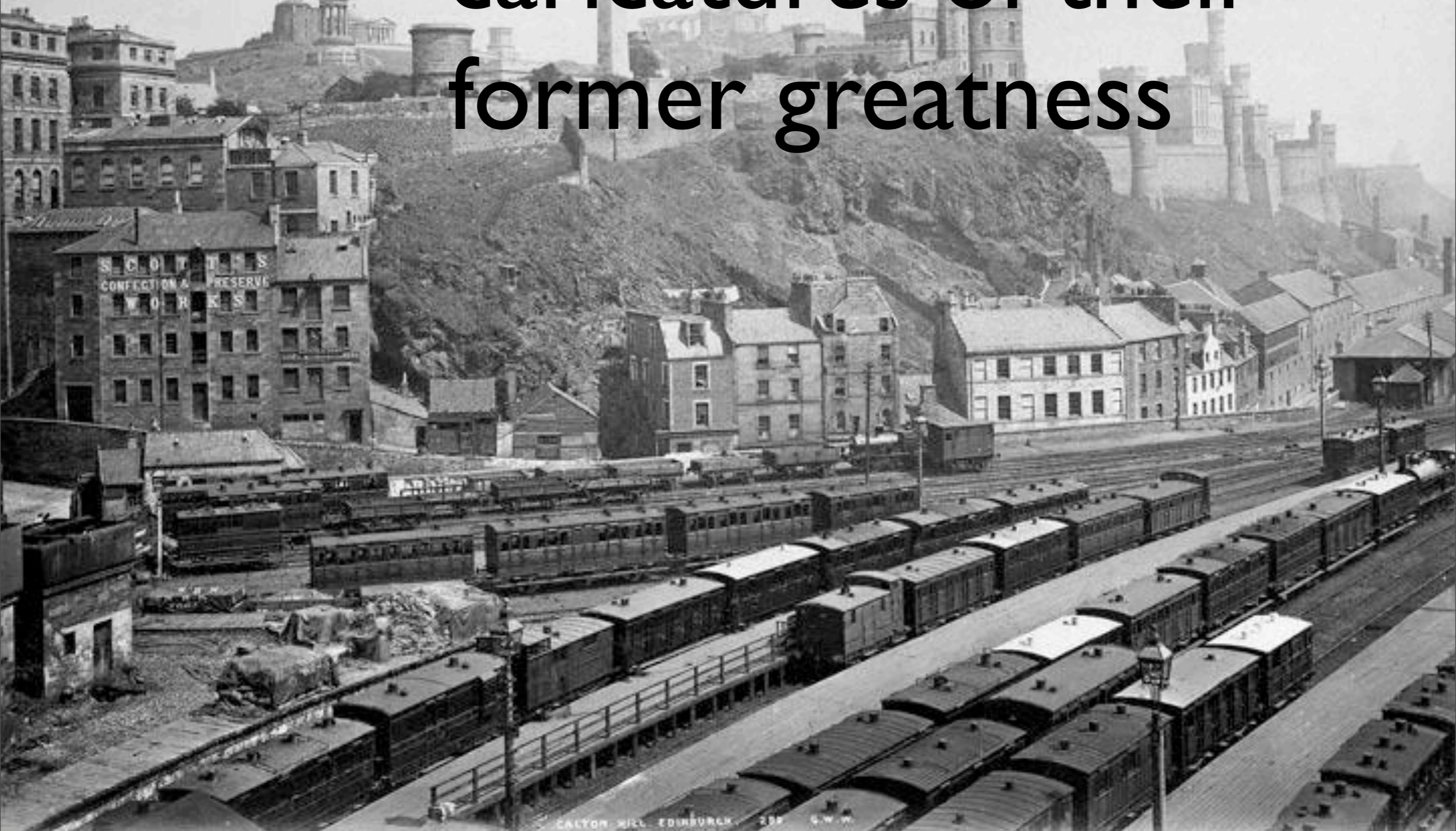
the palladium of our  
land proprietors

# The 4th Land Grab

**A State of Possession Already  
Subsisting Beyond the  
Memory of Man**

The 5th Land Grab

mere miserable starved  
caricatures of their  
former greatness





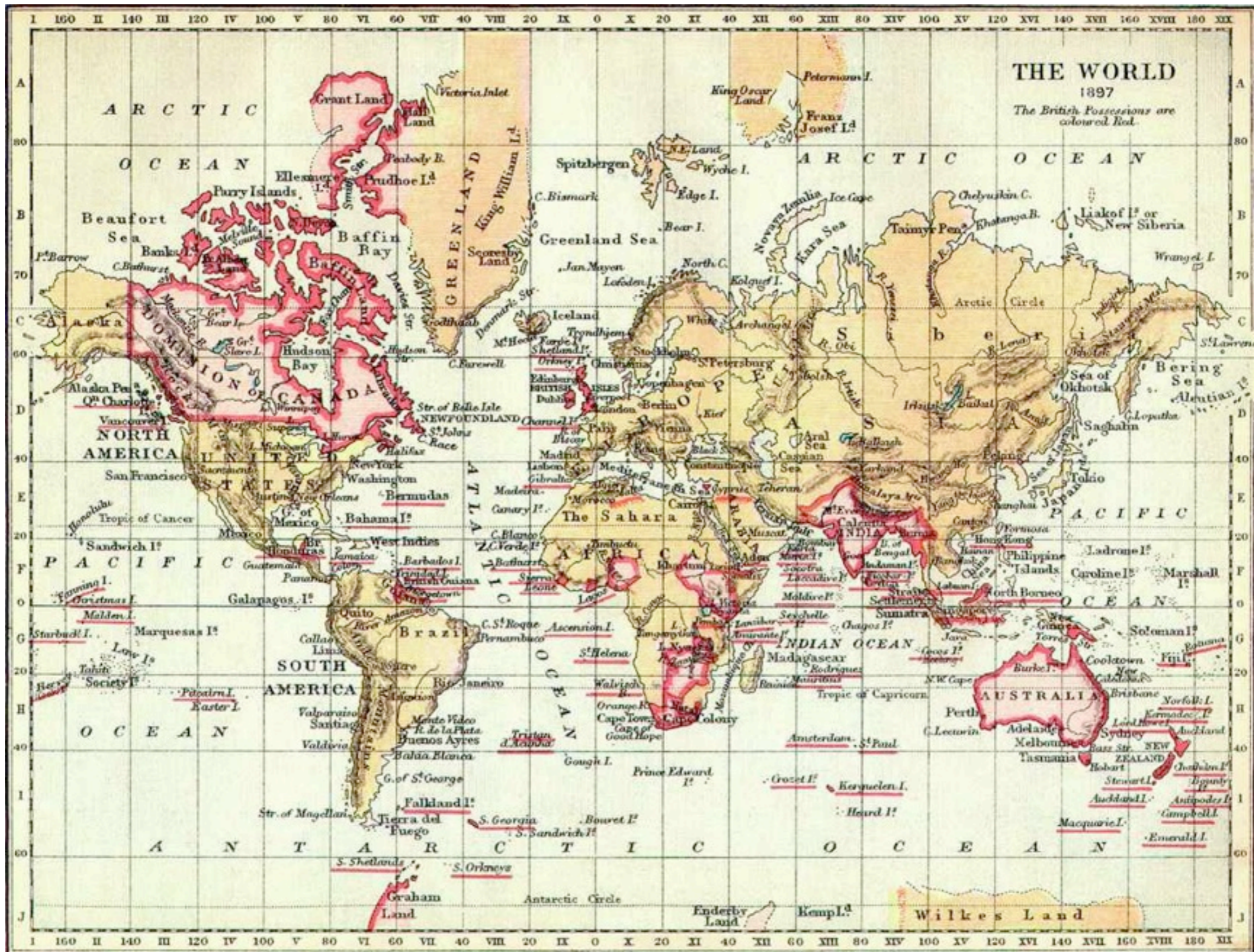




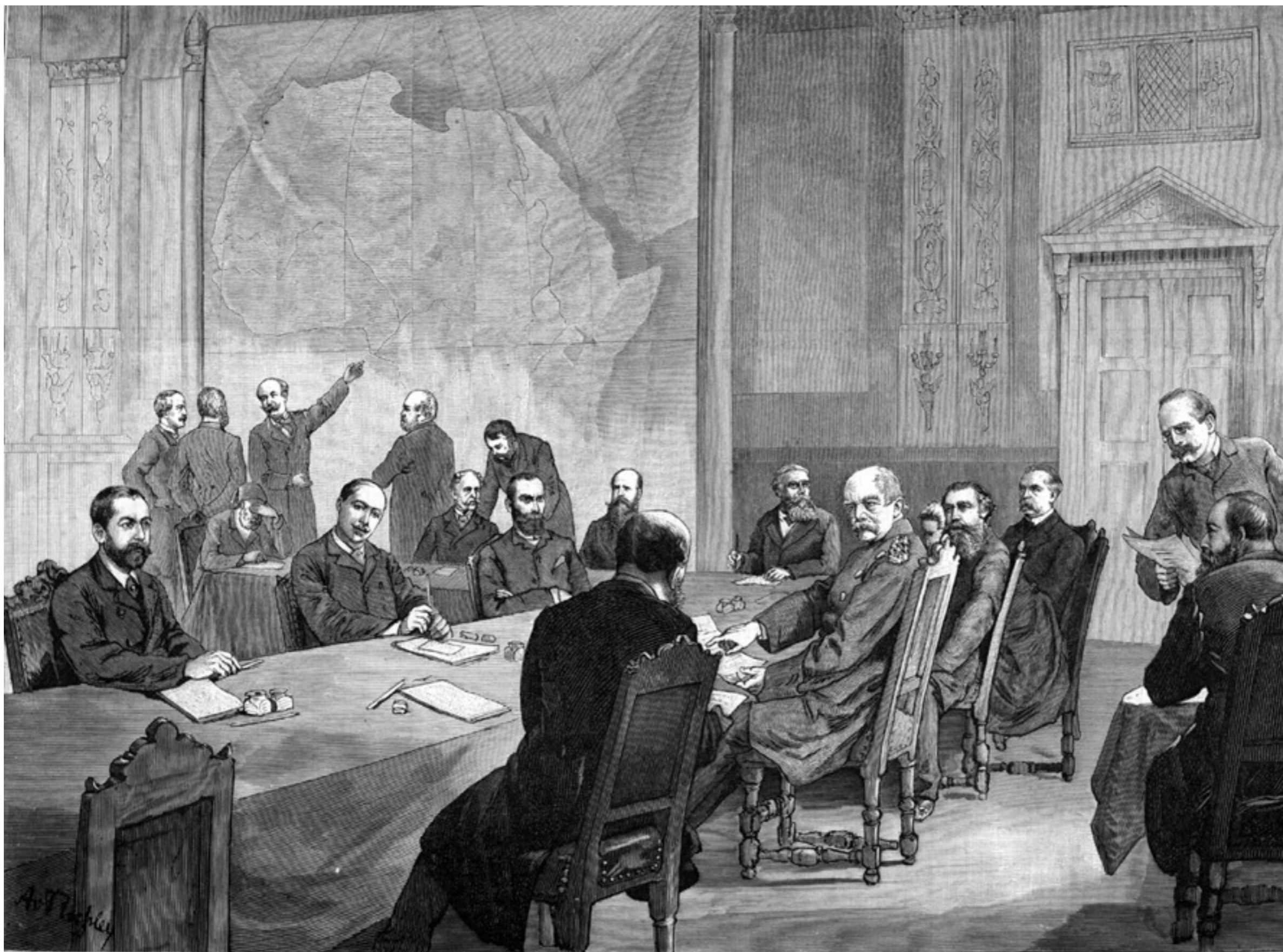


St Andrews





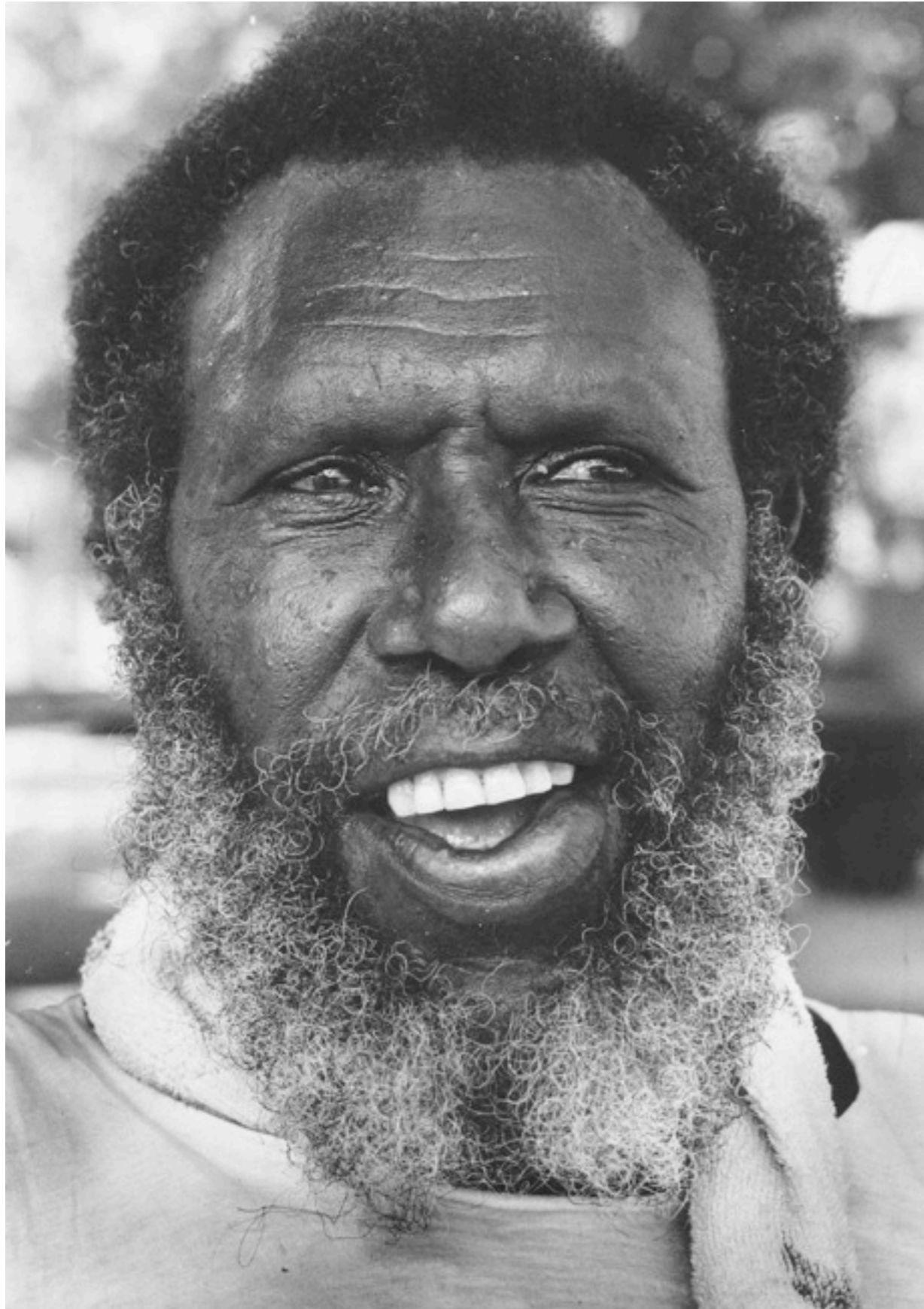
# The 6th Land Grab



v. Cambremont, de Coarcel, Marquis v. Denafel, Graf de Kaunay, Kofon, v. Kullerow, Henry Sanford, Jách Wismarck, v. Vind, Jochim v. Witt, Graf Wilhelm Wismarck, Graf Kapnik, Graf Sacke, v. d. Straten, Kainder, Graf Benomar, Graf Sybeny.







*“the land in the  
Murray Islands is  
not Crown land”*

*“the Meriam people  
are entitled as  
against the whole  
world to  
possession,  
occupation, use and  
enjoyment of the  
lands of the Murray  
Islands.”*





**I hereby take possession of  
this island of Rockall**

BY AUTHORITY OF  
HER MAJESTY QUEEN ELIZABETH THE SECOND,  
BY THE GRACE OF GOD OF THE  
UNITED KINGDOM OF GREAT BRITAIN  
AND NORTHERN IRELAND AND OF  
HER OTHER REALMS AND TERRITORIES, QUEEN,  
HEAD OF THE COMMONWEALTH,  
DEFENDER OF THE FAITH, ETC, ETC, ETC,  
AND IN ACCORDANCE WITH HER MAJESTY'S  
INSTRUCTIONS DATED 14.9.55.  
A LANDING WAS EFFECTED THIS DAY UPON  
THIS ISLAND OF ROCKALL FROM H.M.S. VIDAL,  
THE UNION FLAG WAS HOISTED AND  
POSSESSION OF THE ISLAND WAS TAKEN IN THE  
NAME OF HER MAJESTY.

*H.M.S. Vidal*

CAPTAIN H.M.S. VIDAL  
13. SEPTEMBER 1955.

# land reform:-

measures that modify or change the arrangements governing the possession and use of land in Scotland in the public interest.

Land Reform Review Group 2014

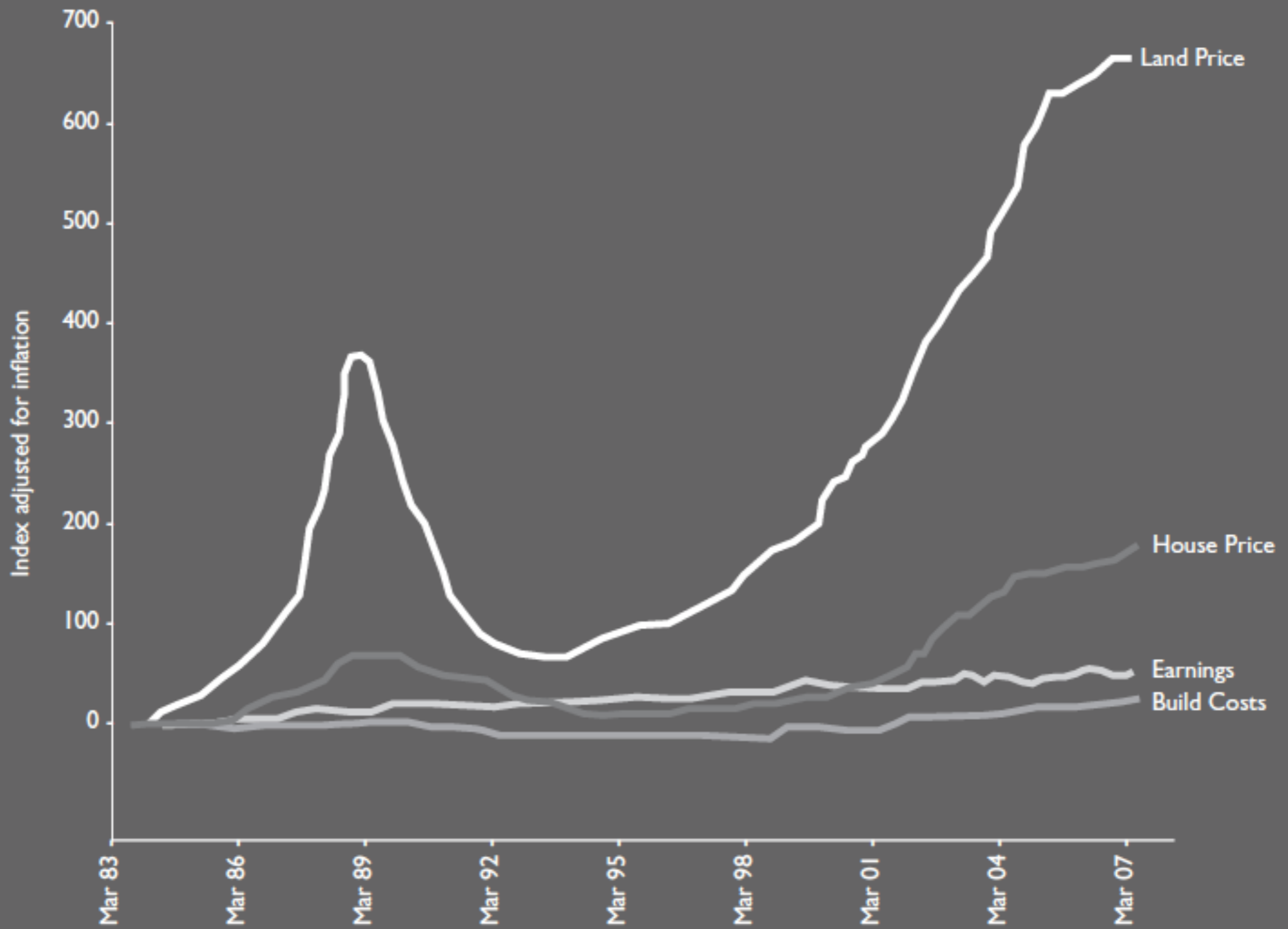


# Housing - an example

**Fig. 19 Average annual earnings of a UK building worker and the average house price for decade**

<b>Year</b>	<b>House Prices</b>	<b>Annual Earnings</b>	<b>HPE Ratio</b>
1930	590	170	3.5
1938	545	175	3.1
1950	1,940	380	5.1
1960	2,530	730	3.5
1970	4,975	1,500	3.3
1980	23,596	5,900	4.0
1990	59,785	9,400	6.4
2000	109,446	20,000	5.5
2010	208,628	28,000	7.5

Figure 3 Index of housing market costs | 1983–2007<sup>23</sup>



# Cheap land is the key to rising profit for builder Bovis Homes

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**GARETH MACKIE**  
BUSINESS CORRESPONDENT

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BOVIS Homes yesterday said it was confident of continuing to reap the benefits of buying up cheap land since the housing market downturn as it reported a doubling in its first-half profits.


Chief executive David Ritchie said: "The investments already made in high-quality, consented residential land, combined with the strong pipeline of future land opportunities, will support further sales outlet growth into 2013 and beyond."

Bovis said it had sold two parcels of consented residential land during the first half, at a profit of £3.9m, and would continue to look at selective sales.

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[THE HEB HOME](#)

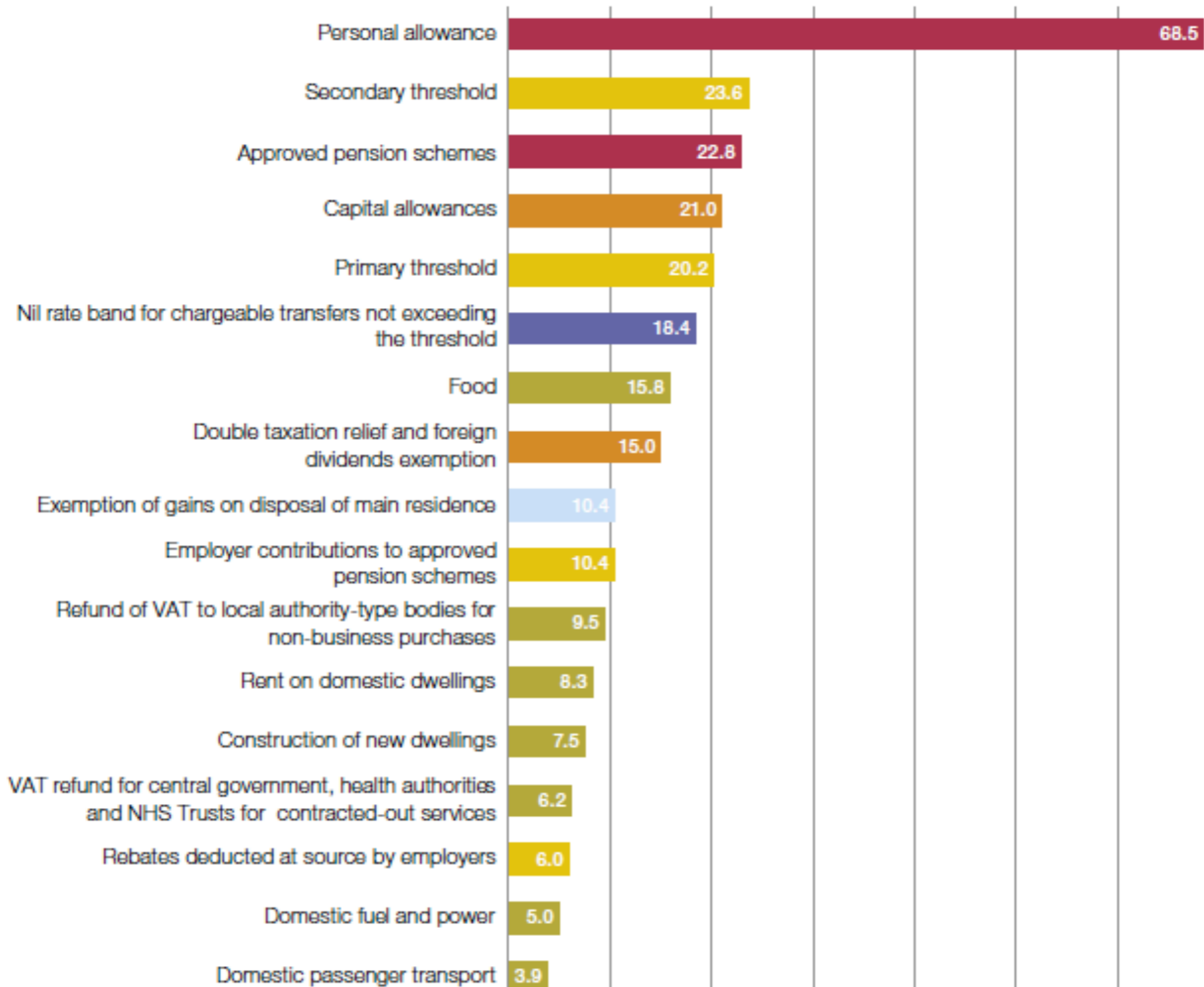




## Figure 6

### Largest reliefs by value

Twenty tax reliefs account for most of the estimated value of tax relief 2012-13





Who pays to put out the fire?

# Recurrent Taxation

Council Tax

Non-domestic rates

# Non-recurrent Taxation

Stampy Duty Land Tax

Capital Gains tax

Inheritance Tax

*In the UK poor tax design contributes to an inefficient housing market, distortionary taxation of financial services, excessive reliance on debt finance, employment levels lower than they need be and distorted and inefficient savings and investment decisions. The review sets out a long term strategy for reform, and in doing so speaks to immediate policy priorities.*

Mirrlees Review 2011



**The Jubilee Line cost the taxpayer £ 3.5 billion**



Land values along the route rose by between

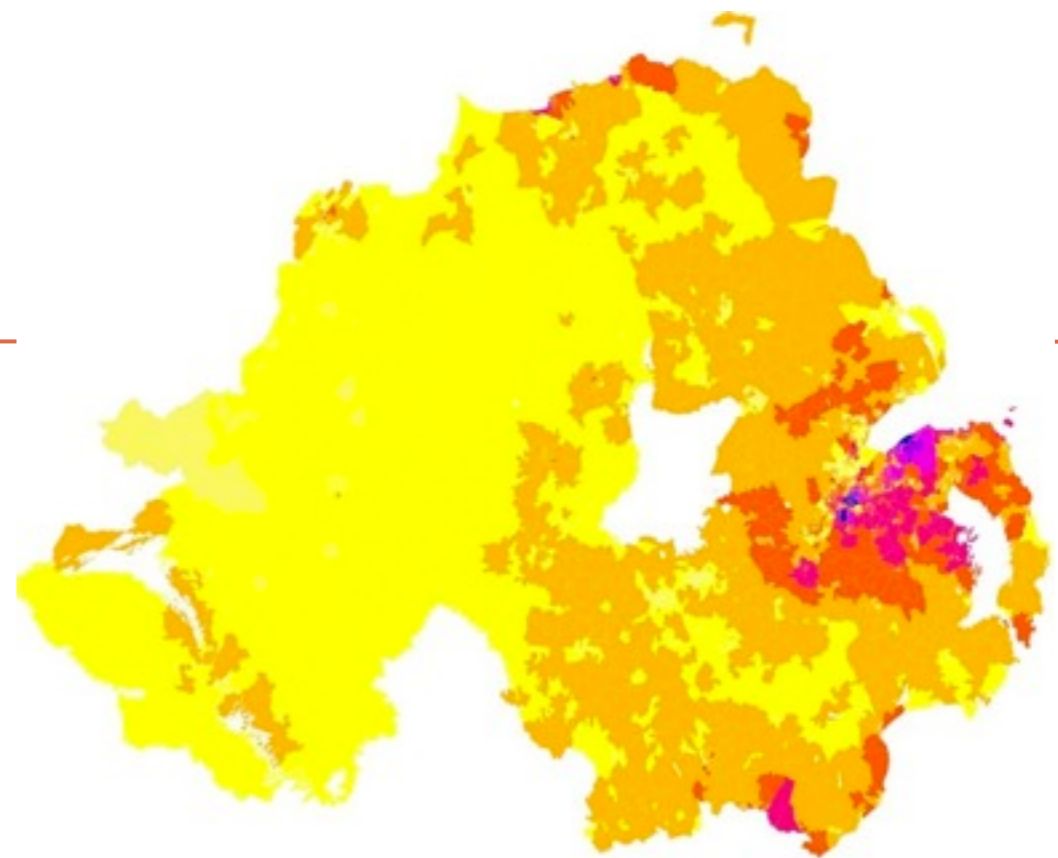
**£9.75 billion and £13.5 billion**

# A LAND VALUE TAX FOR NORTHERN IRELAND

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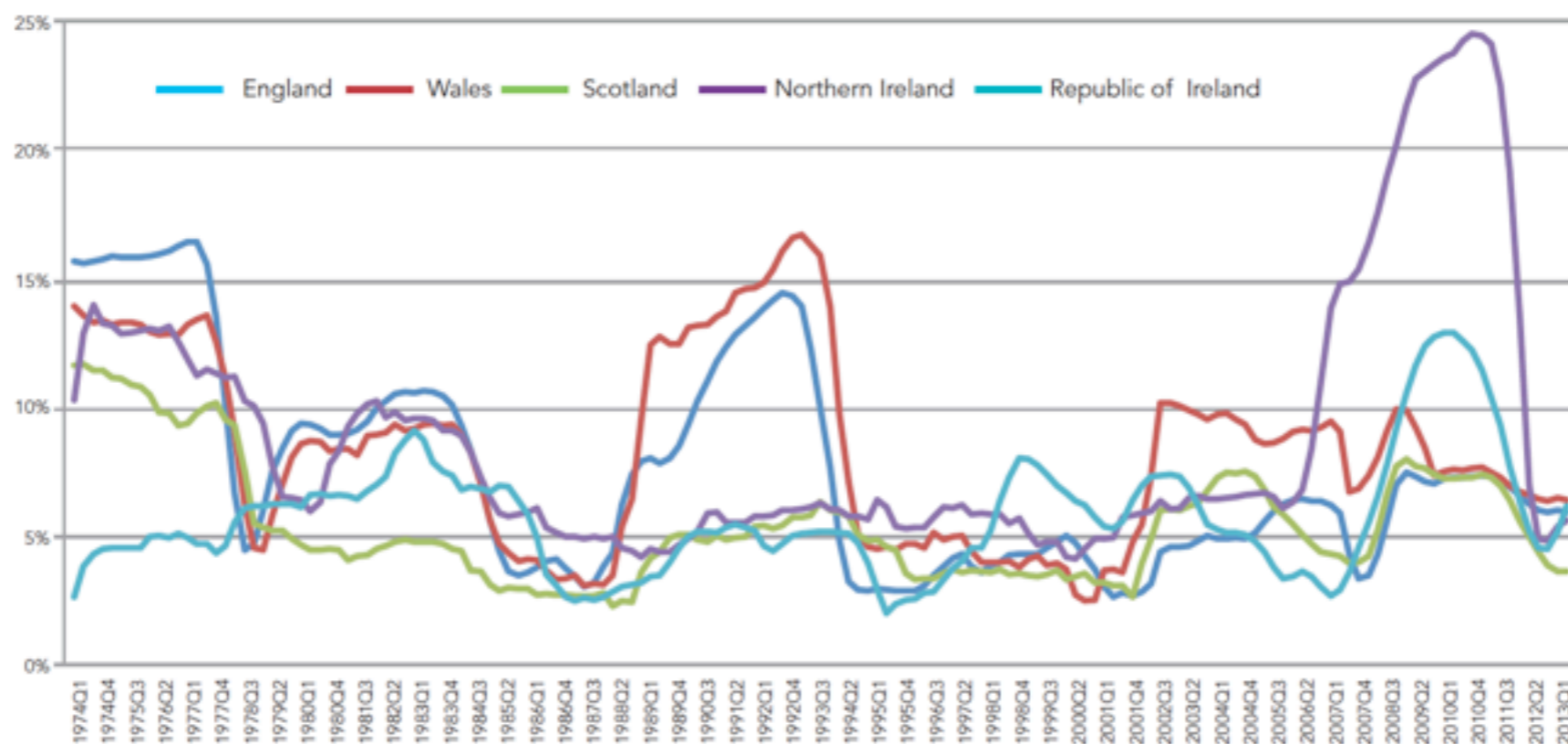
**Report for NICVA  
By Andy Wightman &  
Ronan Lyons**

June 2014



# Northern Ireland “a small open economy”

Figure 2. Volatility in House Prices by Economy (5-year Standard Deviation)

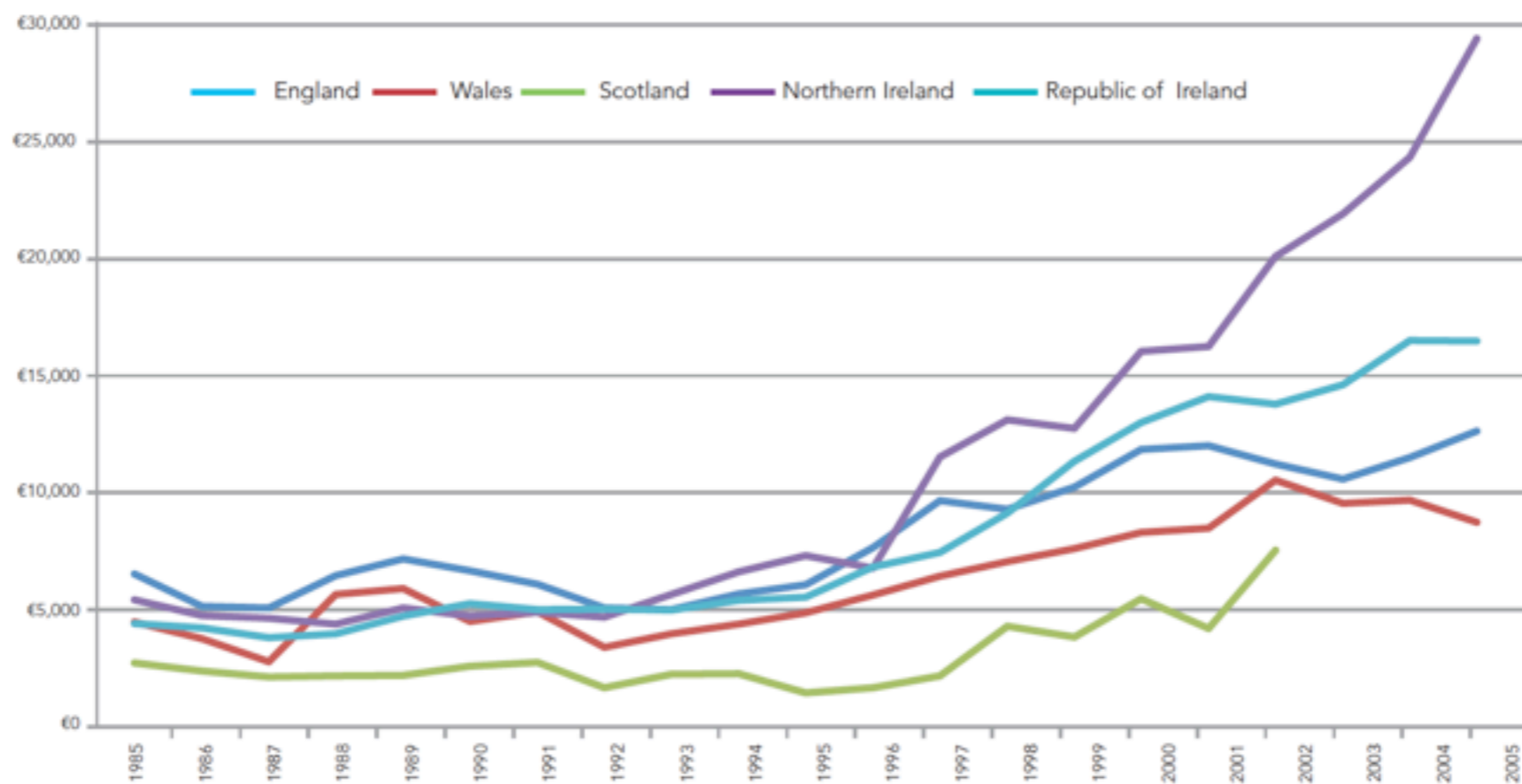


Source: Authors' Analysis of ONS and LPS Data



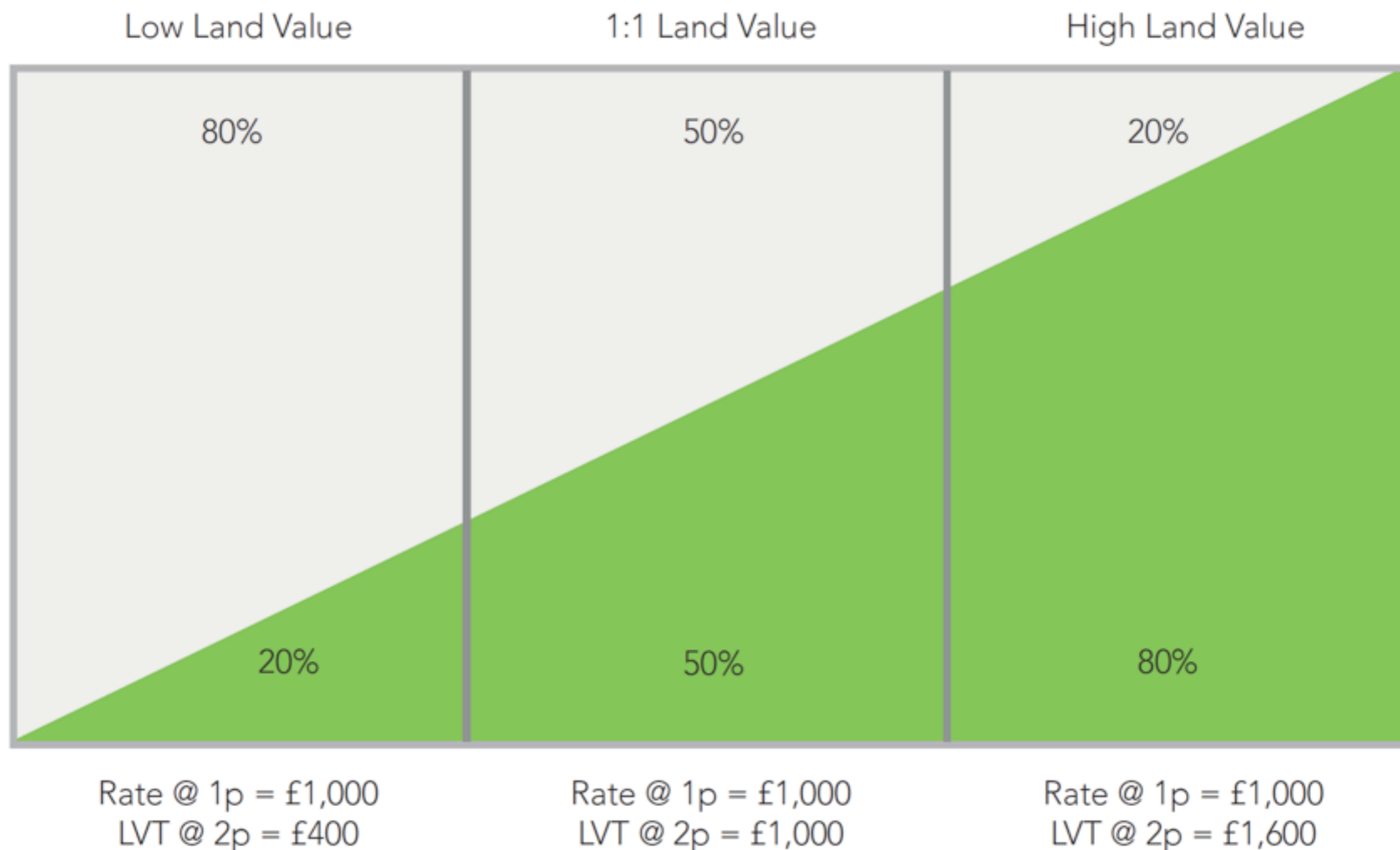
# Price of land key driver in housing cycles

Figure 3. Price of agricultural land (€ per hectare), 1985-2005

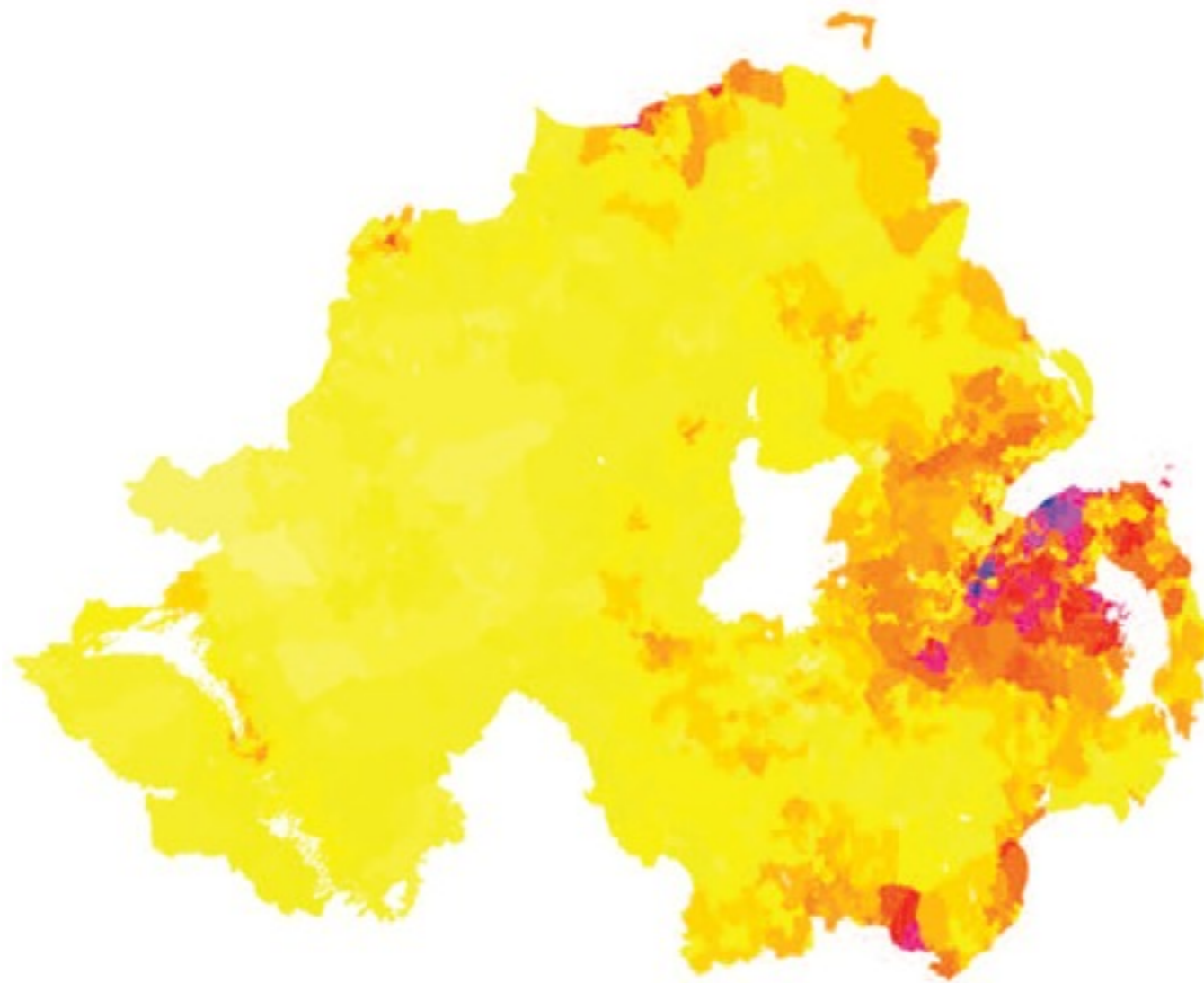


Source: Eurostat Agricultural Statistics

# LVT in practice

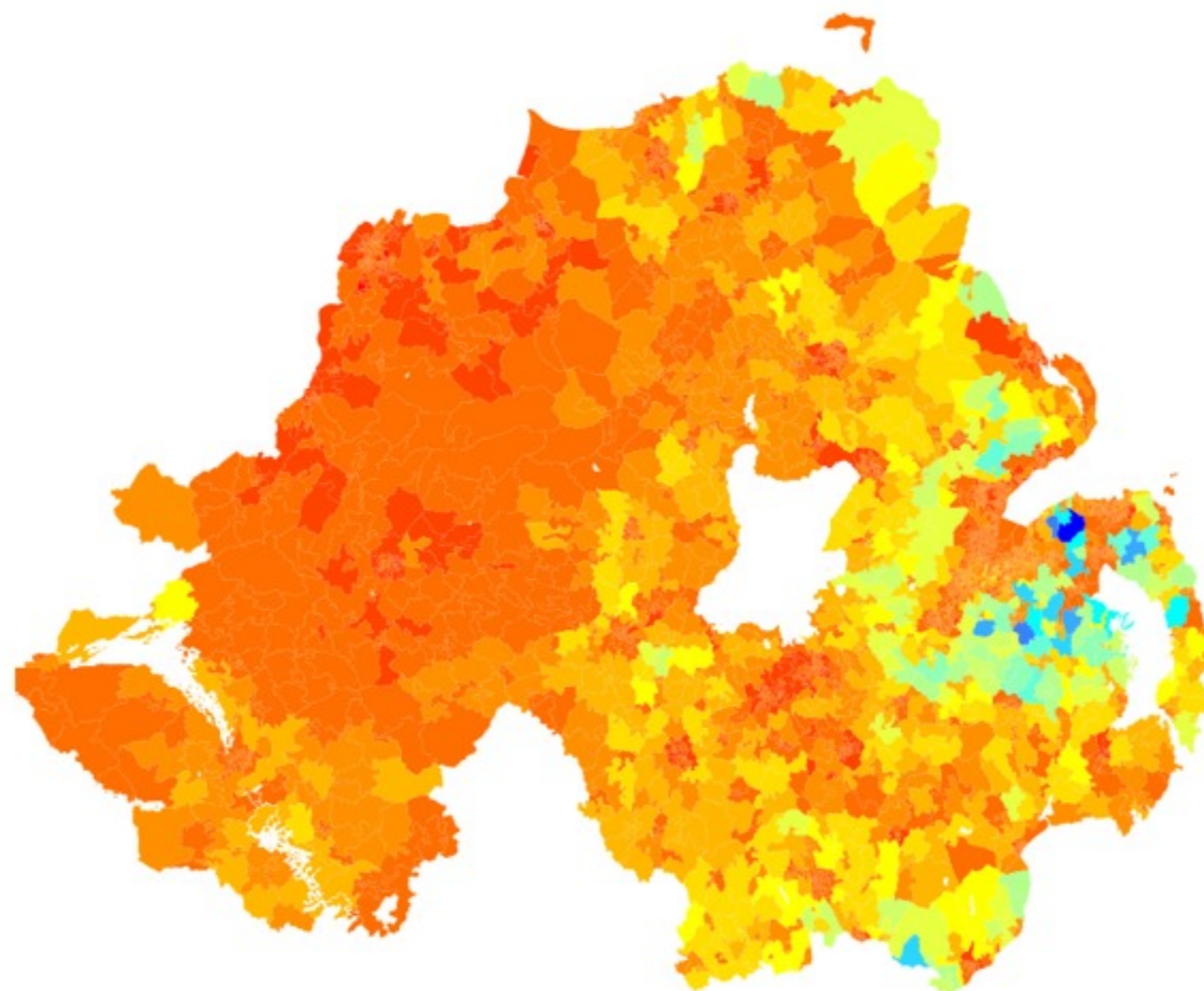
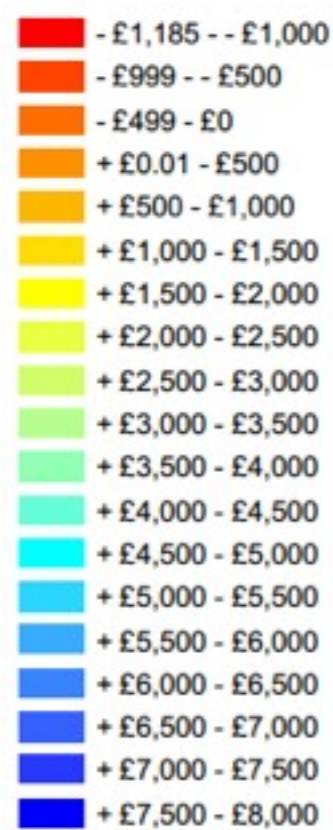


In NI, a home of 100sqm varies £50k to >£300k



# LVT would shift the burden of property tax

**Changes in Property Tax Bills under LVT per Dwelling (£)**





# Scenario I

## Replacing Council Tax & UBR

	Council Tax	LVT @ 3.16p	+/-
A	£766	£513	-32.9%
B	£894	£636	-28.8%
C	£1021	£820	-20.0%
D	£1149	£1056	-8.1%
E	£1404	£1415	+0.9%
F	£1660	£1908	+15.1%
G	£1915	£3261	+69.7%
H	£2298	£6153	+165.6%

## Council Tax vs LVT

*“The economic case for a land value tax is simple, and almost undeniable. Why, then, do we not have one already? Why, indeed, is the possibility of such a tax barely part of the mainstream political debate, with proponents considered marginal and unconventional?”*

**Mirrlees Review, Tax by Design, Chapter 16**

SCOTLAND.  
OWNERS OF LANDS AND HERITAGES  
17 & 18 VICT., CAP. 91.

1872-73.  
RETURN

I.

OF THE NAME AND ADDRESS OF EVERY OWNER OF ONE ACRE AND UPWARDS IN  
EXTENT (OUTSIDE THE MUNICIPAL BOUNDARIES OF BOROUGHES CONTAINING  
MORE THAN 20,000 INHABITANTS), WITH THE ESTIMATED ACREAGE,  
AND THE ANNUAL VALUE OF THE LANDS AND  
HERITAGES OF INDIVIDUAL OWNERS;

AND OF THE NUMBER OF OWNERS OF LESS THAN ONE ACRE, WITH THE  
ESTIMATED AGGREGATE ACREAGE AND ANNUAL VALUE OF THE  
LANDS AND HERITAGES OF SUCH OWNERS IN EACH COUNTY.

II.

A SIMILAR RETURN FOR MUNICIPAL BOROUGHES CONTAINING MORE THAN  
20,000 INHABITANTS.

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Presented to both Houses of Parliament by Command of Her Majesty.

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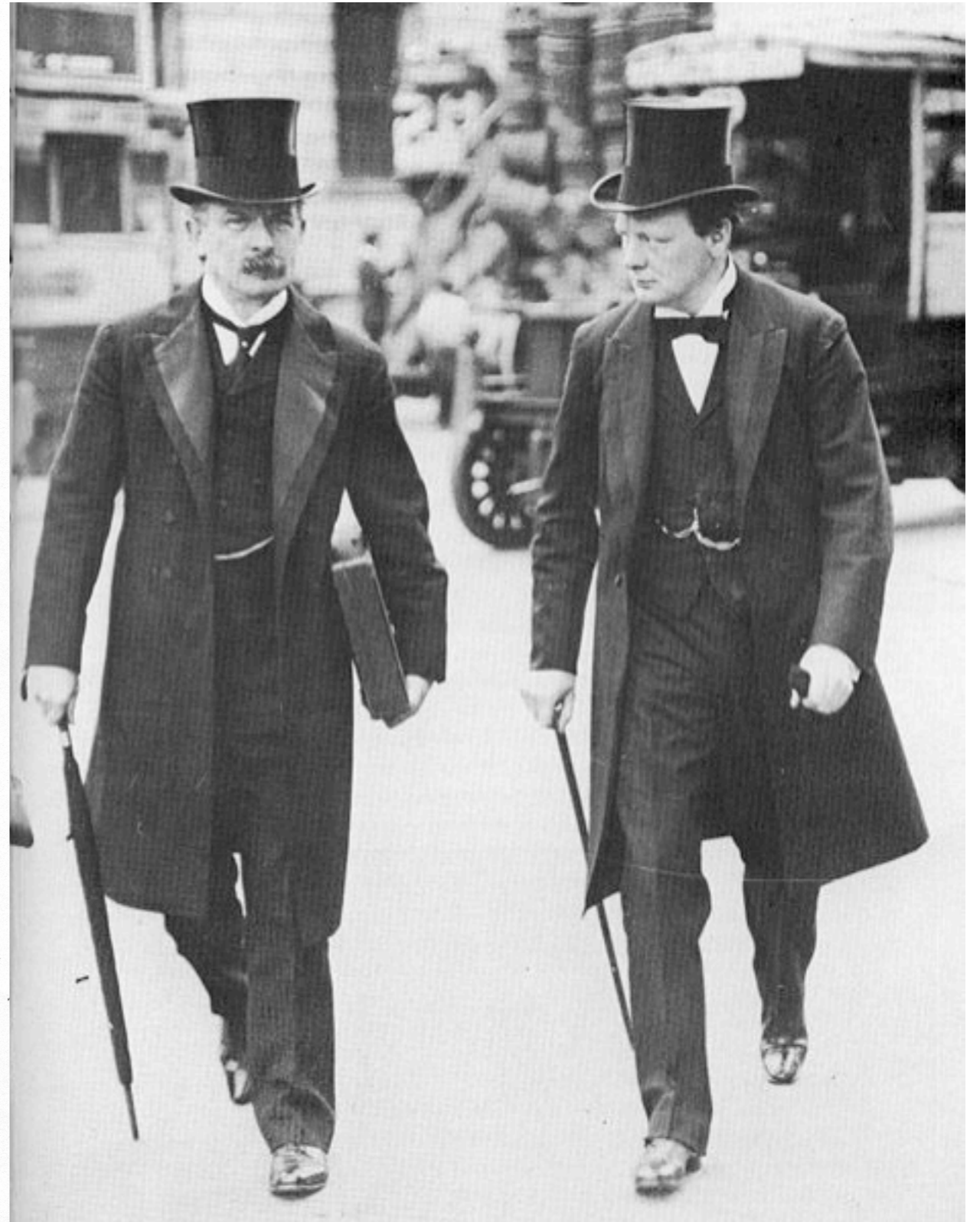


EDINBURGH: PRINTED BY MURRAY AND GIBB,  
PRINTERS TO HER MAJESTY'S STATIONERY OFFICE.

C.—899.]

1874.

[Price 2s. 3d.]

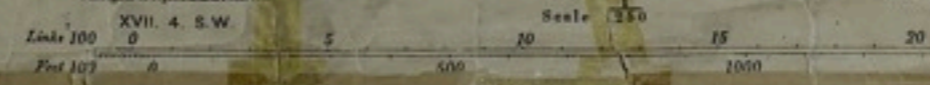




FIRST WARD

# HAMILTON

SPECIALLY ENLARGED FROM 2500 SCALE PLANS FOR THE LAND VALUATION DEPARTMENT, INLAND REVENUE.



25 Chains SOUTH  
1600 Feet

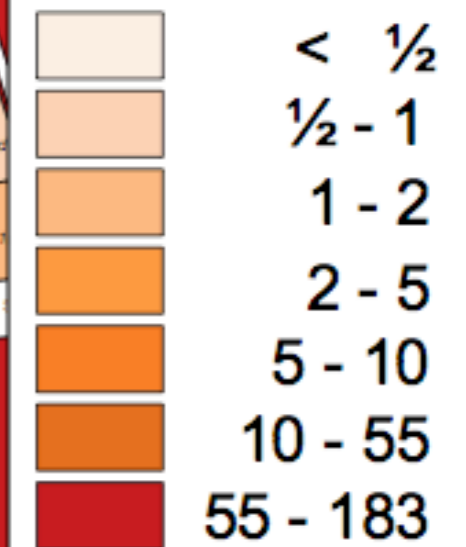




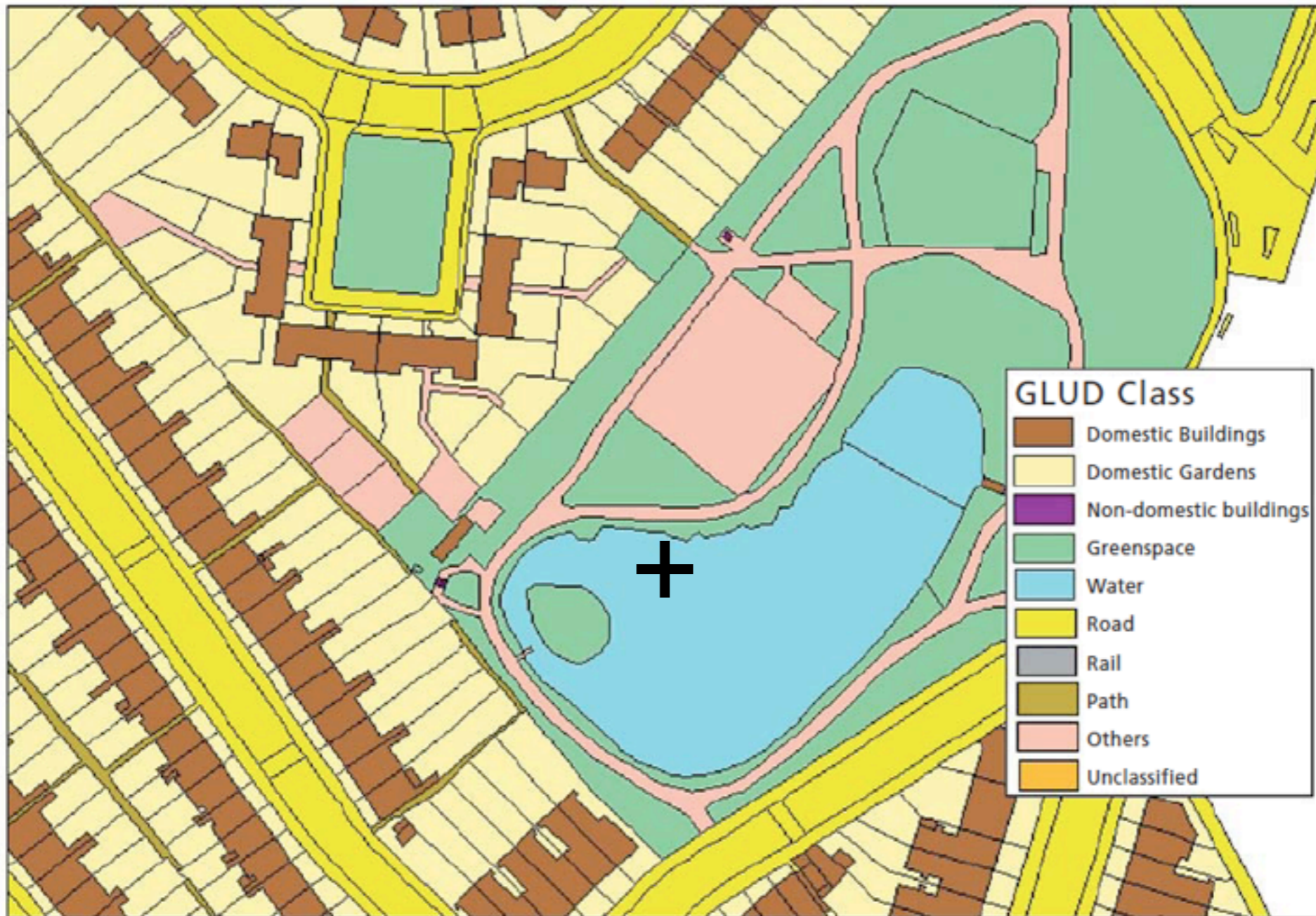
# Property Value



Property Value in million DDK

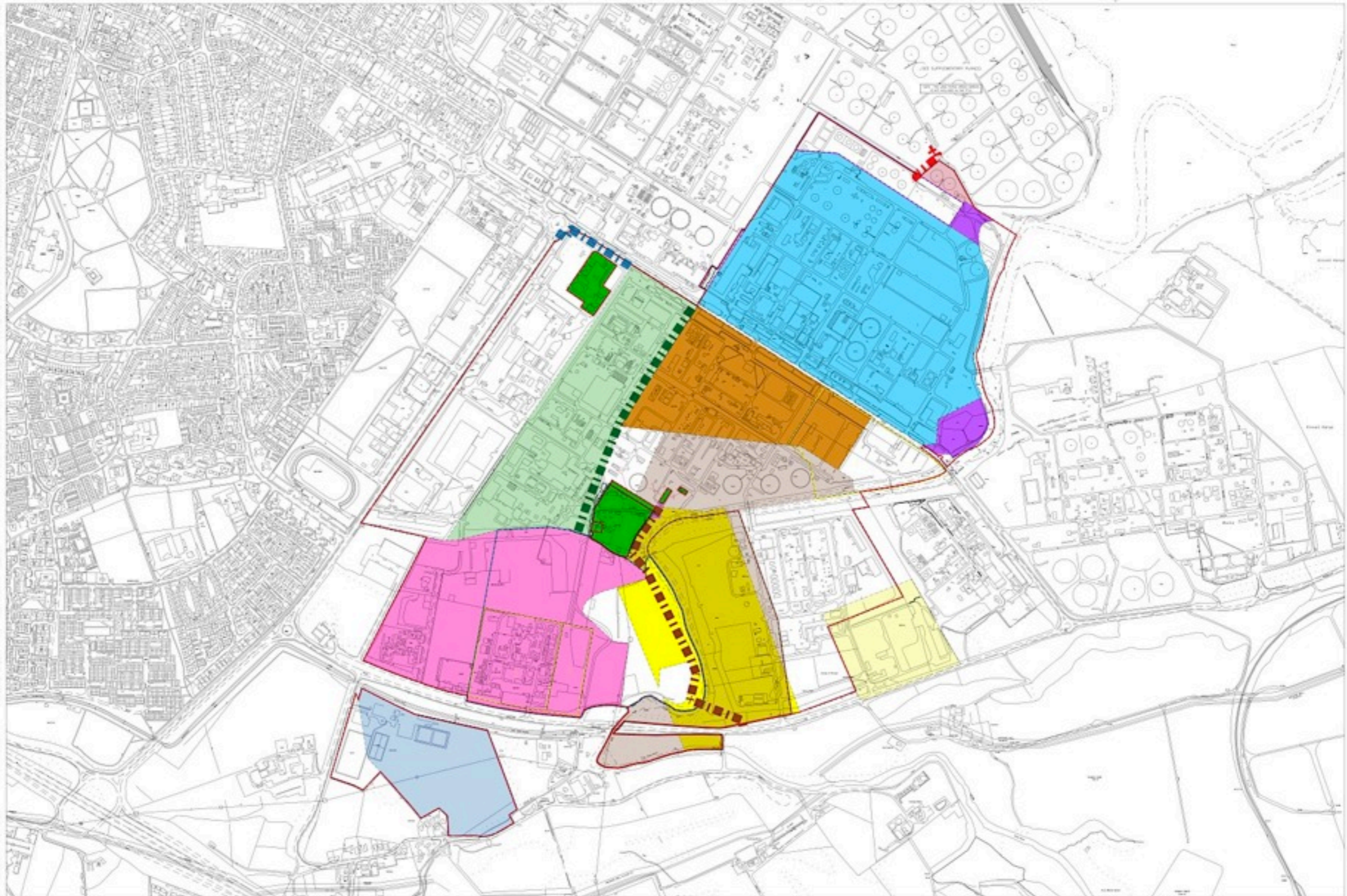


## Large scale Generalised Land Use Database maps based on OS Master Map(r)



# Land Use Database

88	Sheet 8 of 8	Site Number
88	88	88
+	STONAGE BAY	STONAGE BAY
	STONAGE BAY	STONAGE BAY
	STONAGE BAY	STONAGE BAY





**French communes**



**Spanish municipios**

# European Municipal Government

Country	Number of municipalities	median population	sq km
France	36781	380	11
Germany	12013	6844	15
Spain	8112	564	35
Italy	8100	2343	22
Belgium	589	11265	40
Norway	431	4439	465
Sweden	290	15039	672
Scotland	32	115000	990

population 2200



INCOME TAX 28%

12.8% to Kommune  
2.65% to County  
12.44% to National





**No-one should have to pay more than £10,000 for a housing plot.**



House of Commons  
Scottish Affairs Committee

# Land Reform in Scotland: Interim Report

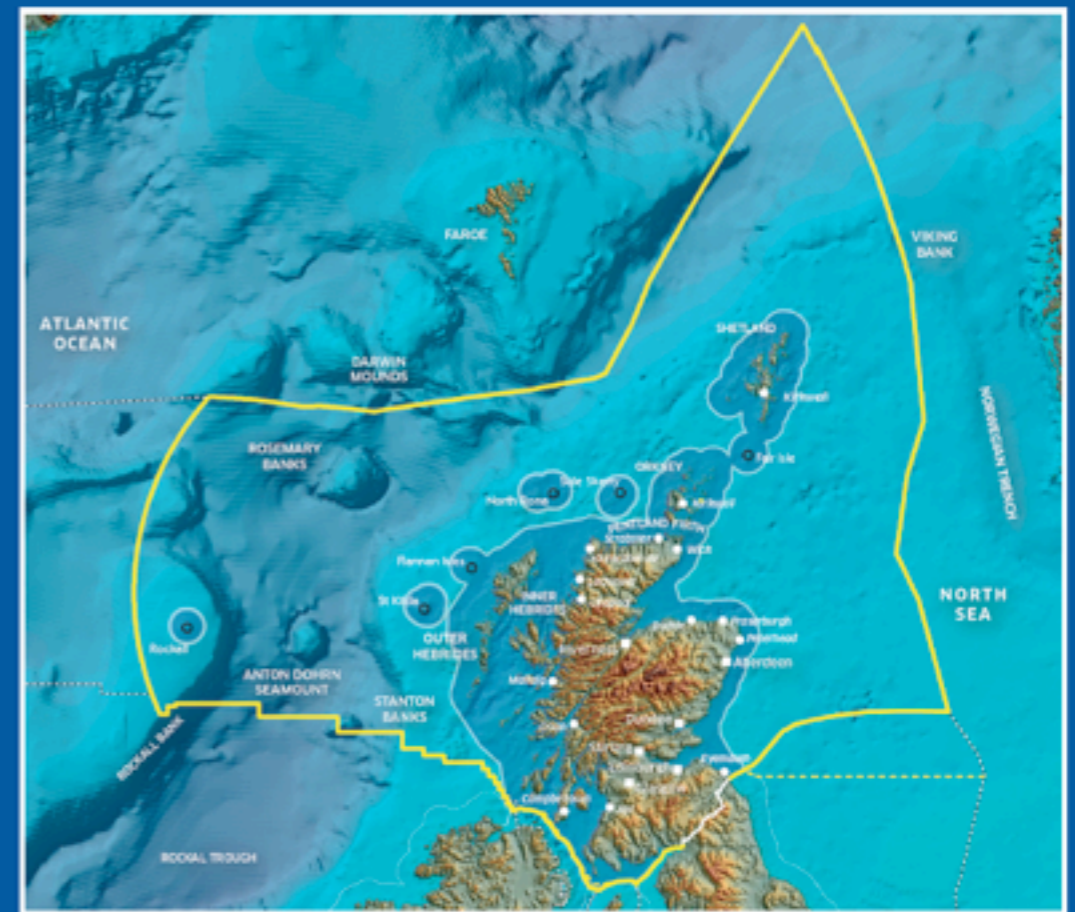
Eighth Report of Session 2013–14

*Report, together with formal minutes*

*Ordered by the House of Commons  
to be printed 18 March 2014*

## The Land of Scotland and the Common Good

Report  
of the  
Land Reform Review Group



# **Land Reform Bill Consultation**

Closes 10 February

[www.andywightman.com/hot-topics/land-reform-2014-2016](http://www.andywightman.com/hot-topics/land-reform-2014-2016)

- Land Rights in 21st Century

## **LAND REFORM BILL**

- Scottish Land Reform Commission
- Transparency/Offshore Tax Havens
- Land Information System
- Sustainable Development Intervention
- Public Sector
- Charities

- NDR - shootings
- Common Good
- Agricultural Holdings
- Wild Deer
- Core Paths


## **OTHER**

- Council Tax
- Succession
- Trust Ports
- Compulsory Purchase
- 10 Year Land Registration
- Crown Estate



**Common Good Land  
in Scotland**

A Review and Critique



Andy Wightman & James Perman

Caledonia Centre for Social Development  
Commonweal Working Paper No. 5

The central graphic features a teal header with the title 'Common Good Land in Scotland' and subtitle 'A Review and Critique'. Below the header is a black and white aerial photograph of a historic Scottish town with stone buildings and gabled roofs. At the bottom of the graphic, the authors' names 'Andy Wightman & James Perman' and the publisher information 'Caledonia Centre for Social Development, Commonweal Working Paper No. 5' are listed.

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[www.andywightman.com](http://www.andywightman.com)