



Land: the Role of Scale in Delivering a Just Transition

A Report from BiGGAR Economics to



December 2023





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Executive Summary

Delivering large-scale projects to work towards net zero and deliver other public policy objectives can generate a variety of benefits that may not otherwise be possible and is the most reliable route to a “just transition” for Scotland.

- Large projects have made a major contribution to moving Scotland toward a just transition and will become increasingly important in the future.
- At the current pace of delivery Scotland will not meet important targets for woodland creation, the rollout of renewables, peatland restoration or housing delivery. Increasing large-scale delivery offers the most realistic prospect for changing this.
- Delivering large-scale projects can enable multiple benefits that may be difficult or impossible to realise at a smaller scale.
- The number of landowners involved in a project can be more important than the scale of the landholding on which it is delivered for some projects.
- Decision-making authority, a long-term interest in the land and access to resources are important pre-conditions for delivering large-scale projects.
- There are several steps that could be taken to enable the benefits of delivering large-scale projects to be realised, including:
 - minimising bureaucratic complexity
 - improving administrative efficiency
 - integrating support for complementary land uses
 - promoting the benefits of delivery
 - increasing availability of upfront funding



Introduction





Study Objectives and Approach

Study Aims

- The primary objective of this study is to articulate the role and importance of scale in achieving sustainable and inclusive growth. This report:
 - identifies areas of policy in which scale might be expected to be an advantage
 - assesses the potential benefits this could generate for Scotland
 - describes and (where possible) quantifies the extent to which these benefits are currently being realized
 - identifies changes in policy and practice that could help to unlock greater benefits

Process

- Desk research was undertaken to identify sectors for which scale may be important. These include:
 - woodland creation
 - peatland restoration
 - renewable energy
 - nature restoration
 - housing (new development and rental provision).
- Available data was then collected, and relevant industry experts consulted in relation to each sector.
- Analysis of both quantitative and qualitative data was undertaken to understand the role and importance of scale to each sector.



Woodland Creation

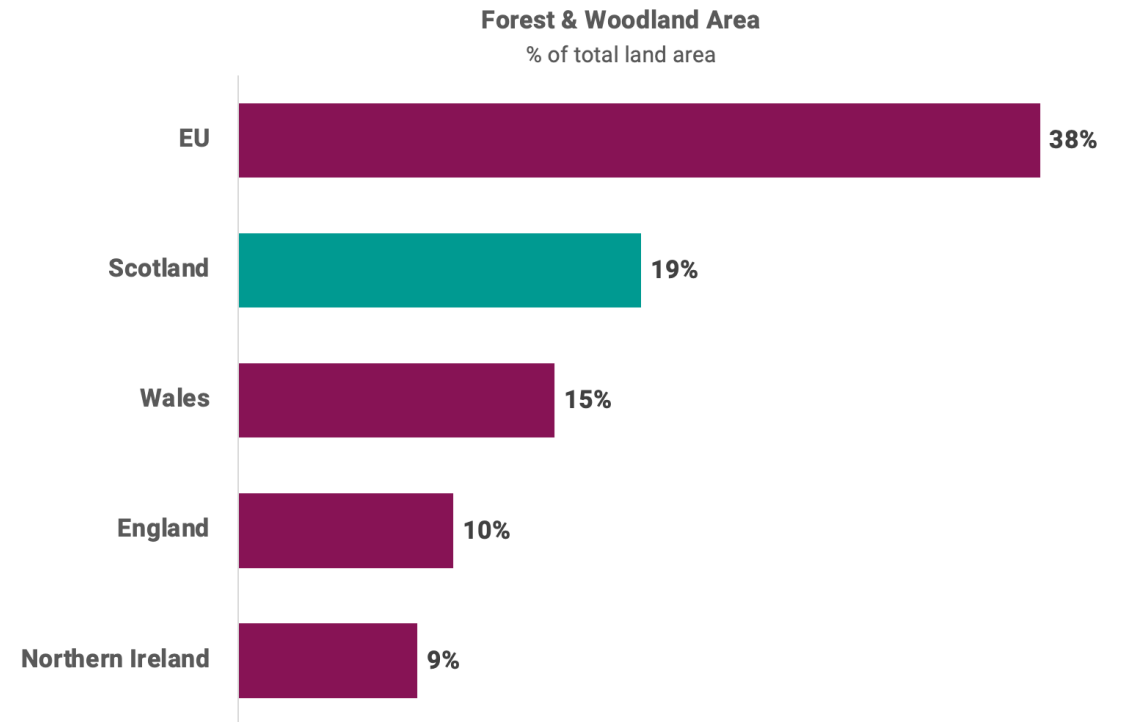




Scale of Activity

19% of Scotland's total area is woodland, equivalent to 1.5 million ha

- In 2022, woodland and forest covered almost **1.5 million ha in Scotland**, twice the area of Argyll & Bute.
- This is equivalent to 19% of the total area of Scotland. Although this percentage is higher than the rest of the UK it is still below the European Union (EU) average of 38%





Targets and Aspirations

Scotland's woodlands are a vital national resource

- Woodland creation can play a **significant role** in reducing the effects of climate change by:
 - locking up carbon in growing trees
 - promoting the use of wood in place of more carbon intensive materials
 - promoting sustainable forest management
- Under the balanced net zero pathway, the Climate Change Committee recommend creating 15,000ha of woodland per year.



The Scottish Government established a target of planting **18,000ha of woodland per year** from 2024/25. By 2032, **21%** of Scotland's land will be covered by forest and woodland.

Updated Climate Change Plan 2018-2032

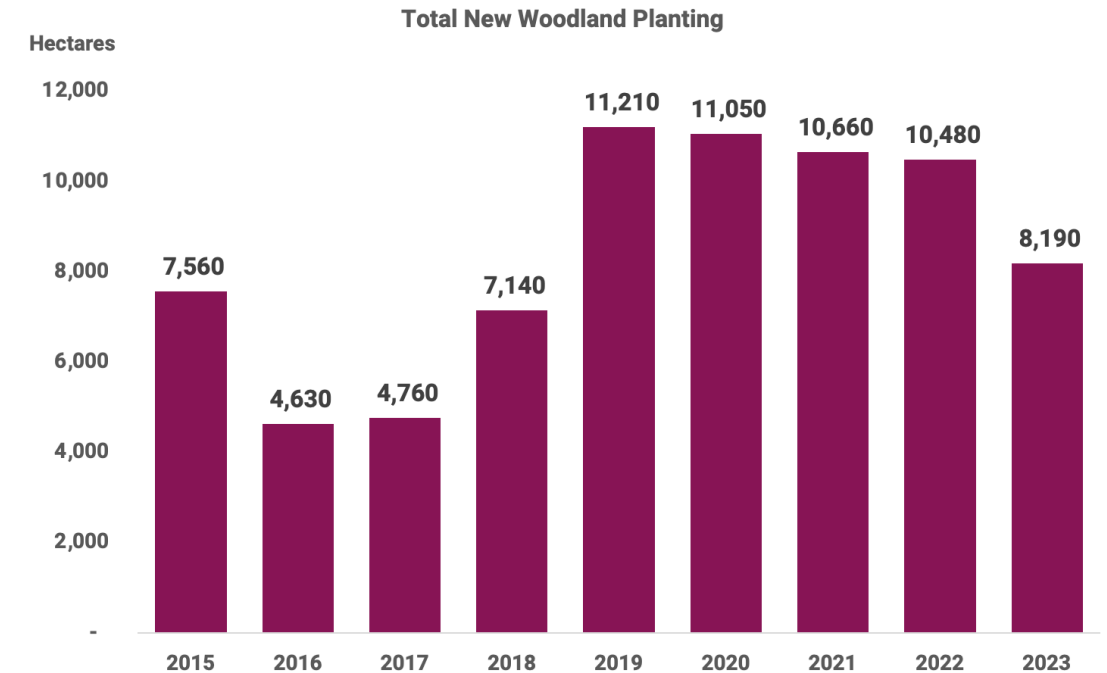
- Planting 18,000ha of woodland per year would equate to a total increase of 162,000ha between 2024 to 2032.
- The 2023/24 Programme for Government commits to delivering at least 12,000 hectares of trees planted from approved schemes in 2023/24.



State of Progress

New woodland creation needs to at least double to meet targets

- On average 8,400ha of woodland has been planted each year since 2015.
- In 2023, 8,190ha of woodland has been planted or is planned to be planted.
 - this is less than half (46%) the annual target of 18,000ha
 - and 68% of the 12,000ha target for 2023/24
- At current rates, targets for woodland creation will not be met.

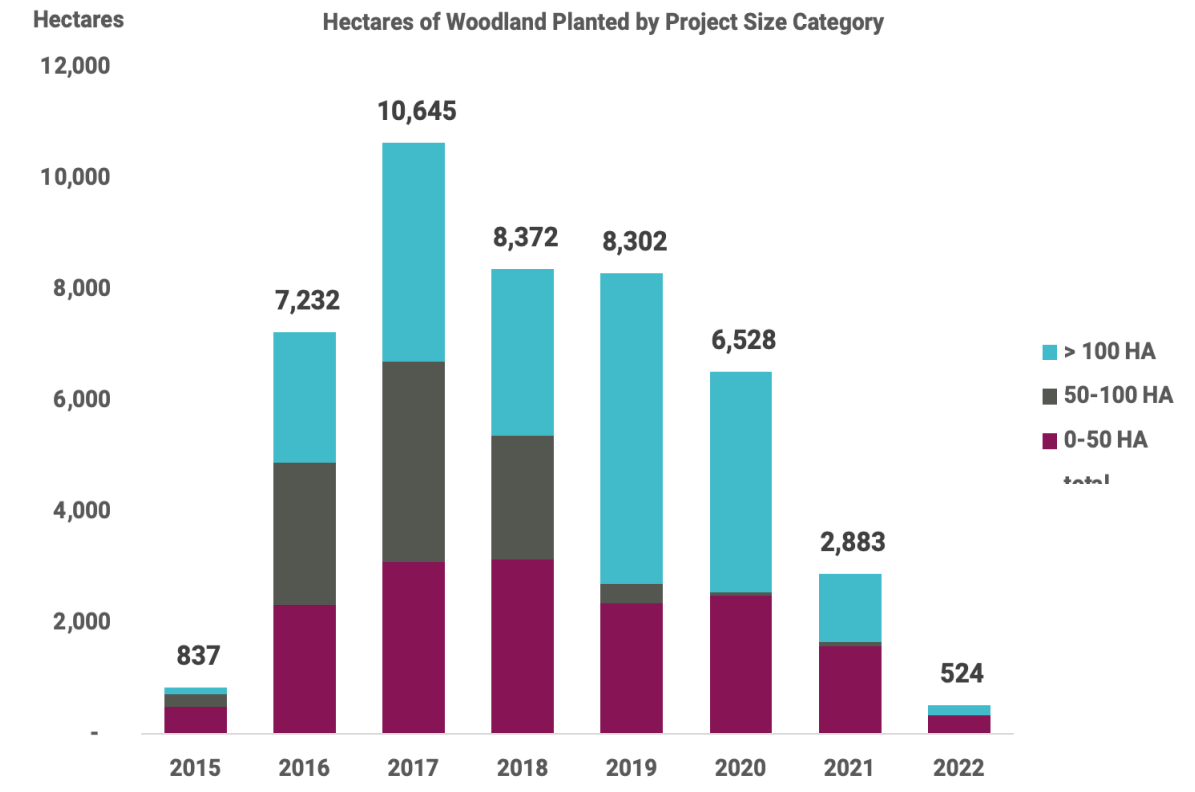




State of Progress

Publicly supported woodland creation has averaged 6,000ha per year since 2015

- The Forestry Grant Scheme distributes public funding to support the private sector with woodland creation.
- The number of woodland creation projects each year has declined since 2018.
- Since 2015, an average of 5,700ha of woodland/year have been planted with support from the Forestry Grant Scheme.



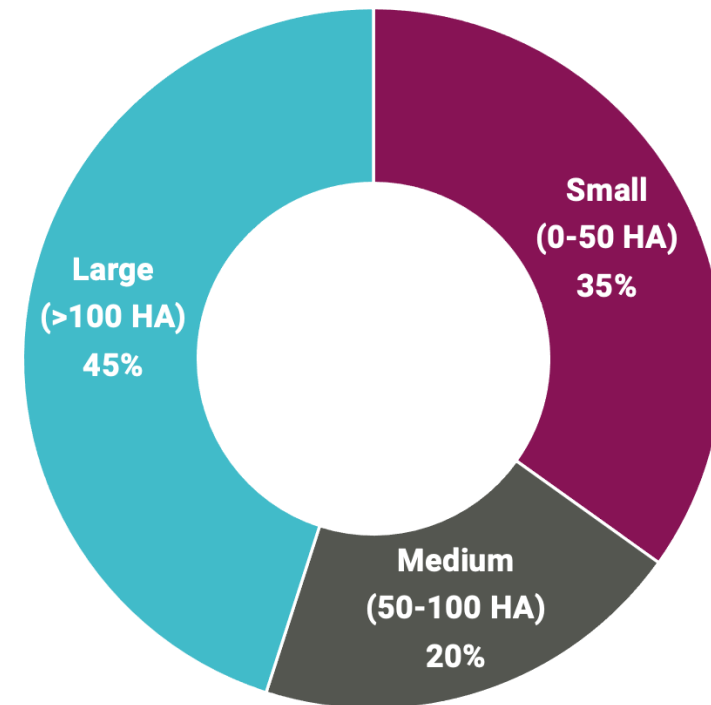


Importance of Scale

Since 2015, 45,000ha of woodland have been planted with support from the Forestry Grant Scheme

- Of the 45,000ha planted, 45% were 'large' woodland creation schemes, i.e. projects over 100ha.
- The Scottish Government aims to create enough woodland to cover 21% of Scotland's total area by 2032.
- At the current rate of delivery, it would take almost 48 years to reach this target through only small-scale projects.

Share of Woodland Creation by Project Size
Forestry Grants Scheme





Advantages of Delivering at Scale

Structural

- Bureaucracy of grant schemes means that there is as much work to do for a 5ha woodland creation scheme as a 500ha scheme.
- Large woodland schemes tend to be contiguous with other projects so are easy to deliver once planning permissions are secured.
- It is easier to accommodate open spaces and mixed species on a bigger scale, both of which benefit nature.
- Large projects can be designed to take account of landscapes and ecosystems.

Financial

- Large scale projects tend to be more economically viable as they provide economies of scale.
 - this is because more access roads and fencing are required per hectare for smaller projects, resulting in higher costs per hectare of woodland created
- Cashflow is a significant barrier to woodland creation for those who cannot finance initial tree planting and fencing. This means large companies, estates or charities often find it easier to support woodland projects.





Who Benefits from Woodland Creation?

Woodland creation creates benefits for both local communities and wider society

- The Local Community
 - woodland projects can enhance access for the local community, enabling recreational usage, which in turn supports health benefits
 - the local area is also likely to benefit from job creation and the development of business opportunities
- Wider Society
 - woodland restoration provides the opportunity to enhance biodiversity by making habitat improvements, which benefit wildlife
 - NatureScot estimates that 50 megatonnes of carbon is locked in Scotland's vegetation, the majority of which is held in the more than 1.3 million ha of natural woodland and forest
 - carbon sequestration varies by tree species and the length of crop rotation, but it is estimated that a hectare of forest can hold between 700 to 800 tonnes of carbon
 - this means that the woodland planted in Scotland under the Forestry Grants Scheme since 2015 has the potential to store over 36.2 million tonnes of carbon, of which 16.3 million tonnes will be stored by projects over 100ha



Peatland Restoration

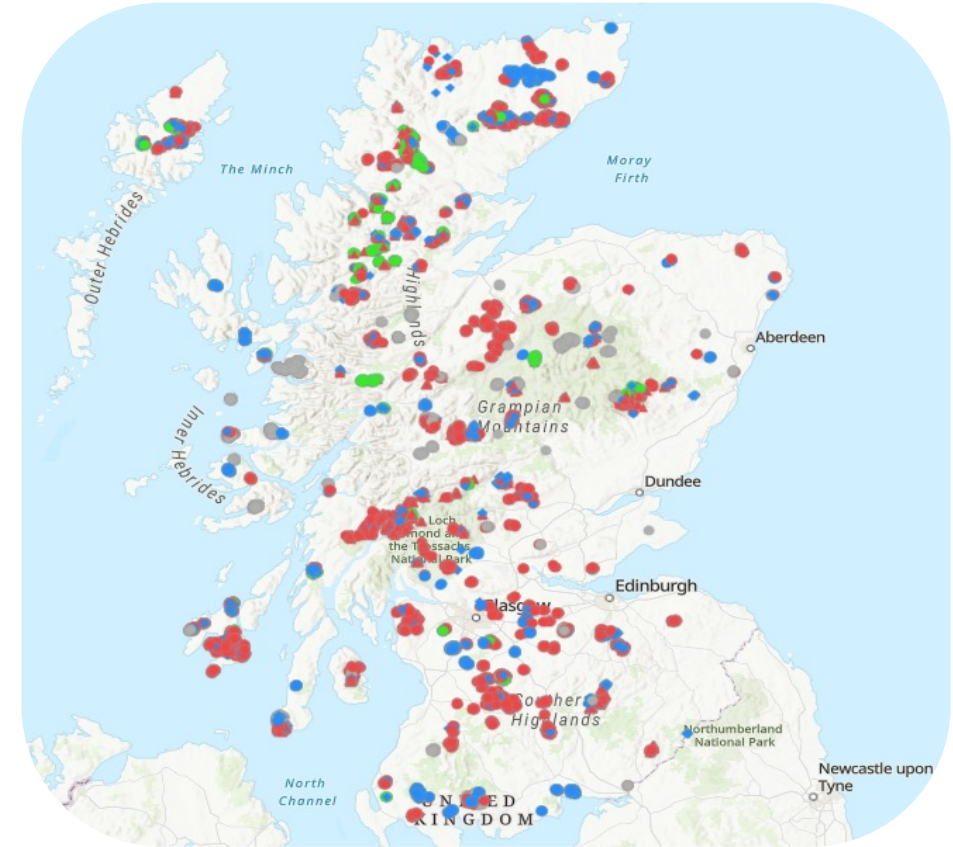




Scale of Activity

Scotland is one of the richest countries in Europe for peatland

- Peatland covers approximately 1.8 million ha of Scotland.
- This is equivalent to 23% of Scotland's land area, almost three times the area of Aberdeenshire.
- However, in 2022 it was estimated that 80% of Scotland's peatlands are damaged because of agricultural, horticultural and forestry practices.



Source: Peatland ACTION data portal

● Actively eroding or drained ● Near natural ● Modified



Targets and Aspirations

Restoring damaged peatlands is a significant part of Scotland's plans to reduce carbon emissions

- Peatlands are Scotland's largest terrestrial carbon store, holding around 1.6 billion tonnes of carbon – the equivalent of an estimated 140 years of Scotland's emissions.
- Damaged peatland is a major source of greenhouse gas emissions.
- In 2019, emissions from UK peatlands were estimated at 23.1 million tonnes per year.
- The Climate Change Committee recommended a restoration rate of 45,000ha per year by 2022.
- **The 2023 Programme for Government, outlines the Scottish Government's aim to restore 10,700ha of degraded peatland in 2023/24.**

The Scottish Government established a target of restoring at least 250,000ha of degraded peatlands by 2030. This would require 20,833ha of peatland to be restored each year.

Update Climate Change Plan 2018-2032

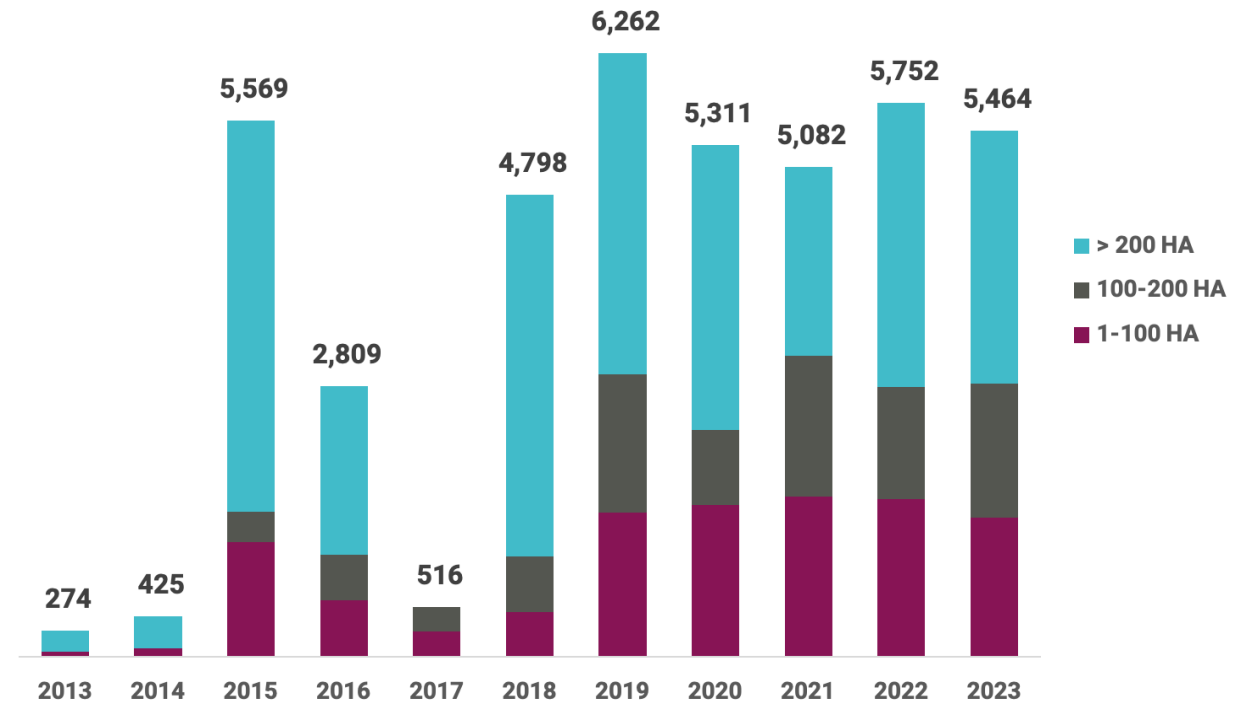


State of Progress

Peatland restoration needs to increase by over 300% to reach the 2030 target

- Since 2018, on average 5,400ha of peatland has been restored each year.
- In 2023, 5,264ha of peatland has been restored or is planned to be restored.
 - this is around a quarter of what is required on an average annual basis to meet the the 2030 target of 250,000ha of restored peatland
 - and just under half (49%) of the 10,700ha of peatland the Scottish Government aims to restore in 2023/24
- At current rates, targets for peatland restoration will not be met

Peatland Restoration by Grant Start Date and Size Category



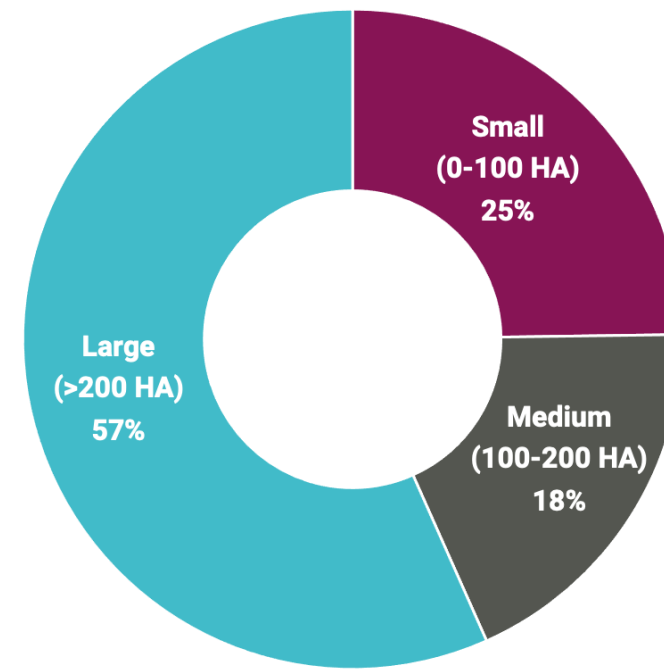


Importance of Scale

Since 2013, 42,300ha of peatland has been restored

- Of this 42,300ha, 57% was restored through large projects of over 200ha.
- The Scottish Government aims to restore 10,700ha of degraded peatland in 2023/24.
- At current rates of delivery, it would take more than 7 years to reach this target through only small-scale projects.

Share of Peatland Restoration by Project Size





Advantages of Delivering at Scale

Structural

- Work required before a project can begin, such as community consultations, will be the same regardless of size, so large projects deliver higher benefits for the same amount of administrative work
- The potential for peatland restoration is high, while opportunity cost is low



Financial

- Large scale projects allow costs to be spread more widely, reducing average cost per hectare and improving economic viability. For example:
 - surveying, certification, peatland code auditing, and on-going validation and verification which must be delivered regardless of the size of a project
 - cost of mobilising peatland restoration work – earth moving equipment needs to be mobilised to deliver each project and it is more cost effective to do this for one large project area than several times for multiple projects



Who Benefits from Peatland Restoration?

Both local communities and wider society benefit from peatland restoration

- The Local Community
 - the community around peatland restoration projects are likely to benefit from job creation and the development of business opportunities
- Wider Society
 - restored peatland provides natural protection from flooding and can help reduce the risk and severity of wildfires
 - restoring peatland can also improve Scotland's drinking water, much of which comes from peatland areas
 - biodiversity is supported by Scotland's peatlands, including uniquely adapted groups of birds, plants and micro-organisms not found together anywhere else in the world
 - RSPB Scotland estimates that, for every hectare of peatland restored, 4.6 tonnes of CO₂ is prevented from entering the atmosphere each year
 - this means that peatland restored since 2013 has the potential to prevent up to 194,400 tonnes of carbon from entering the atmosphere, of which more than half (57%) is held by projects over 200ha



Biodiversity and Nature Restoration





The Scale of the Challenge

Scotland is one of the most nature depleted countries on earth

- Biodiversity is essential for natural processes that support all life on earth. It is vital for human survival.
- Biodiversity intactness is a measure of the original number of species and their abundance that remains in any given area.
 - data collated by the Natural History Museum suggests Scotland is one of the most nature-depleted places on earth
- An analysis of public spending commitments undertaken by the Green Finance Institute shows Scotland has specific funding commitments in place in relation to two (out of ten) priority areas for nature restoration: woodland creation and peatland restoration.

"Scotland is one of the most nature-depleted countries in the world, ranking 28th from bottom out of more than 240 countries/territories in terms of the biodiversity it has remaining."

Professor Colin Galbraith, Chair of NatureScot



Funding Nature Restoration

It is estimated that Scotland faces a £20 billion gap in funding for nature restoration between 2022 and 2032

- In 2021, the Green Finance Institute estimated the difference between what it will cost to deliver important nature restoration outcomes and the amount of public funding committed to doing this.
 - **Scotland’s nature funding gap was estimated to be around £20 billion between 2022 and 2032**
- Addressing a funding gap of this magnitude from public funds would be extremely challenging.

Outcome	Scottish Funding Gap
Clean water	£3 billion
Biodiversity	£8 billion
Bio-resource efficiency	£476 million
Bio-carbon mitigation	£9 billion
Access to nature	£1 billion
<i>Overlap</i>	<i>£2 billion</i>
Total	20 billion

Source: Green Finance Institute (2021)



State of Progress

Private funding will be critical for nature restoration, but will require a shift from project-level to landscape level investment

- Addressing the global nature crisis will require substantial investment beyond that which can be met by the public sector.
- The conservation finance market is still at an early stage of development and most deals are relatively small (85% are valued at <\$5 million)
- As the market matures demand from larger commercial investors is expected to increase but the small size of deals has been identified as a barrier to investment as physically smaller projects come with additional risks and are less likely to deliver wide variety of benefits.
- Competition for nature finance is global so developing landscape scale projects that are attractive to investors will be critical.

"Shifting from project-level to landscape level investing will become crucial to leverage synergies between the various sources and cycles of funding within the same landscape and to multiply impacts on the ground."

Coalition for private investment in conservation



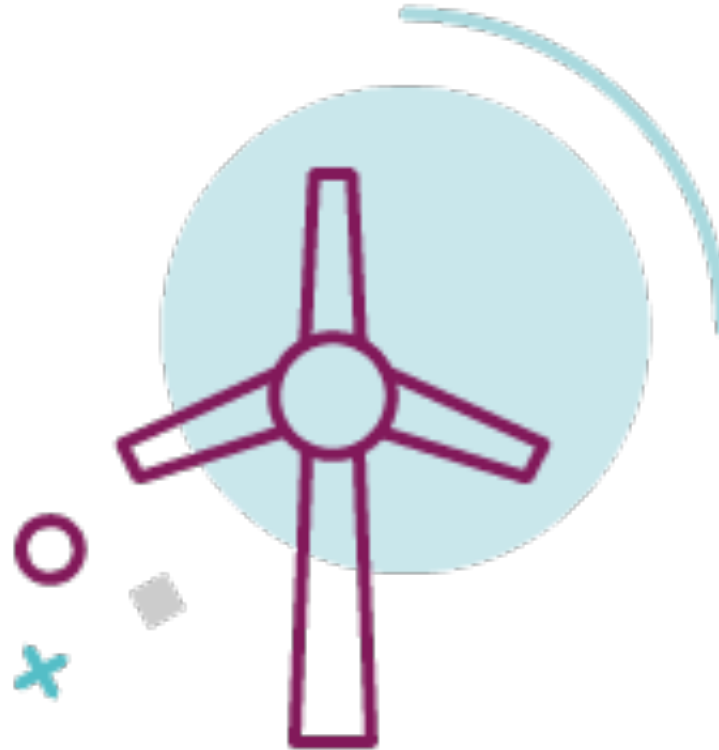
Advantages of Delivering at at Scale

The advantages of landscape-scale environmental management are widely recognised

- Scotland's Third Land Use Strategy highlights the need to adopt landscape scale approaches to deliver positive climate and environmental impacts
- Landscape-scale (or ecosystem) approaches to land management involve working in collaboration and at scale to maximise environmental and social benefits.
- These approaches benefit biodiversity because they reflect the scale at which natural systems work.
- Managing nature restoration projects at scale helps realise environmental benefits by:
 - improving **functional links between habitats**, enabling movement of wildlife and the flow of genetic diversity
 - creating space for biodiversity, helping species to be **more resilient to environmental change**
 - **enhancing other ecosystem characteristics**, such as predator-prey interactions, fire and flood regulation



Renewable Energy Development

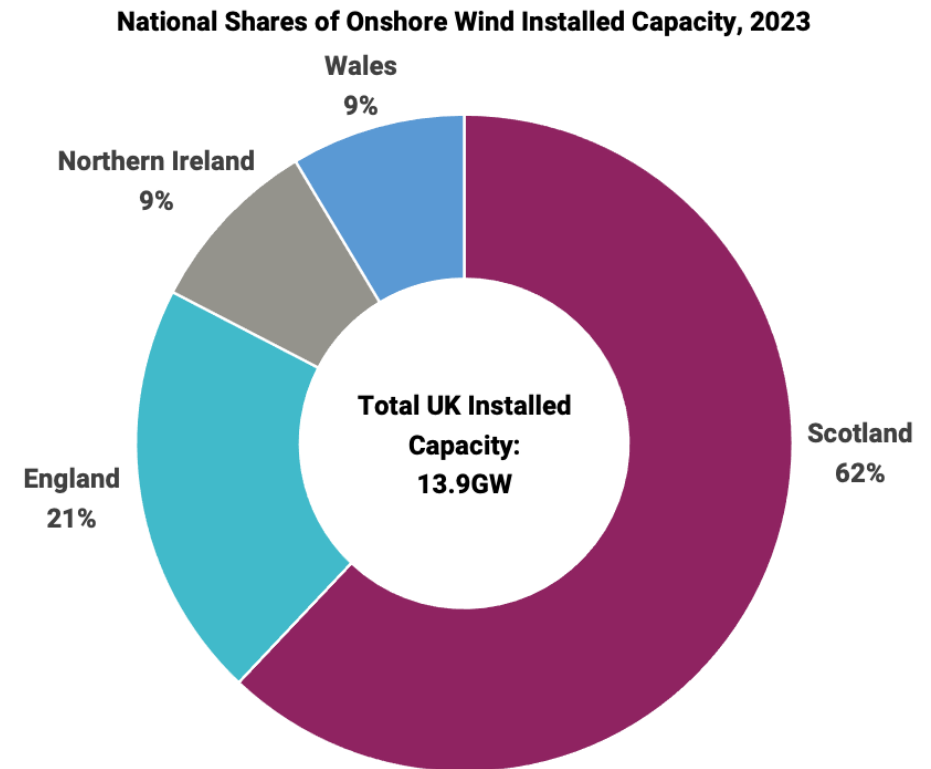




Scale of Activity

As of 2023, onshore wind farms in Scotland have a total installed capacity of 8.6GW

- This accounts for approximately 62% of onshore wind capacity in the UK.
- Onshore wind targets are reported in terms of installed capacity so renewable projects can be categorised as follows:
 - small (under 5 MW);
 - medium (between 5-50 MW);
 - large (between 50-100 MW); and
 - very large (over 100MW).





Targets and Aspirations

Scotland has a great deal of potential onshore wind resources

- Scotland's total installed capacity of renewable electricity was 13.9 GW in 2022. Onshore wind accounted for around 65% of this.
- By 2030, the Scottish Government have set a target to increase installed capacity of onshore wind to over 20 GW by 2030. This represents an increase of 12 GW from 2022 levels.

*"By 2032, Scotland's existing renewable generation capacity will account for 50% of Scotland's overall energy consumption"-
Climate Change Plan 2018*

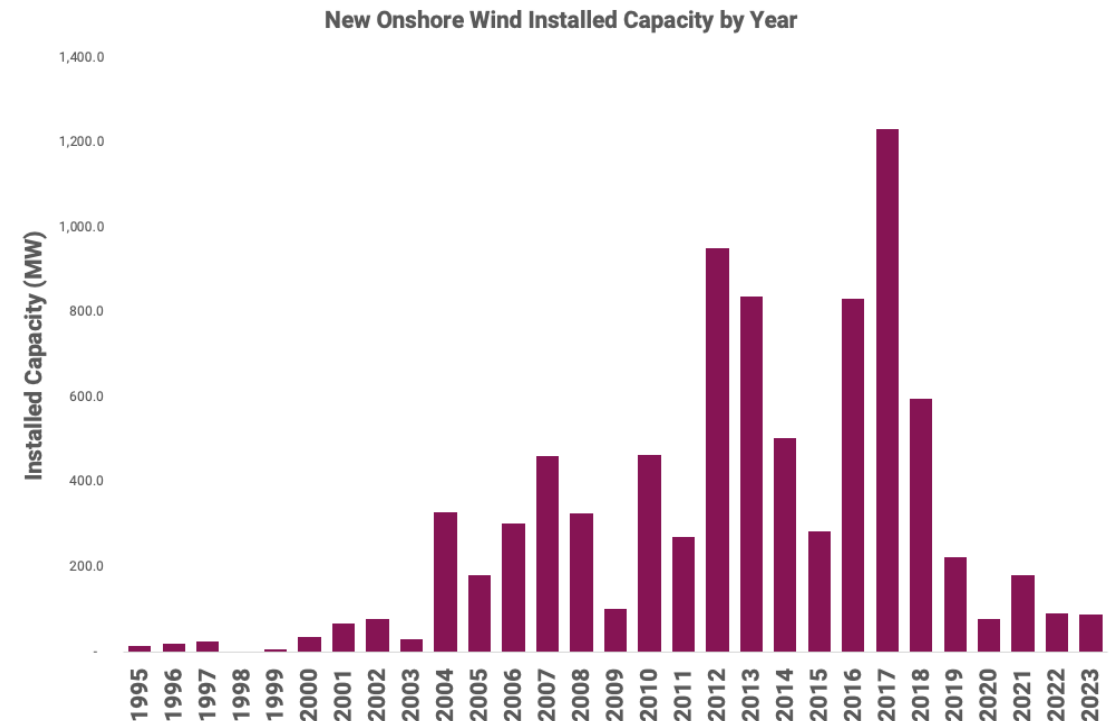




State of Progress

New wind farms have become operational in Scotland every year since 1999

- Annual new installed capacity peaked in 2017, when wind farms generating a total installed capacity of 1.2GW become operational.
- Since 2017, progress has slowed, with new installed capacity in 2022 amounting to 93.5MW across Scotland.
- At the time of writing, all operational onshore wind farms in Scotland had a combined installed capacity of 8.6GW, approximately 43% of the Scottish Government's 2030 target
- This means an average 1.6GW of additional onshore wind capacity is required each year between 2024 and 2030 to meet the target



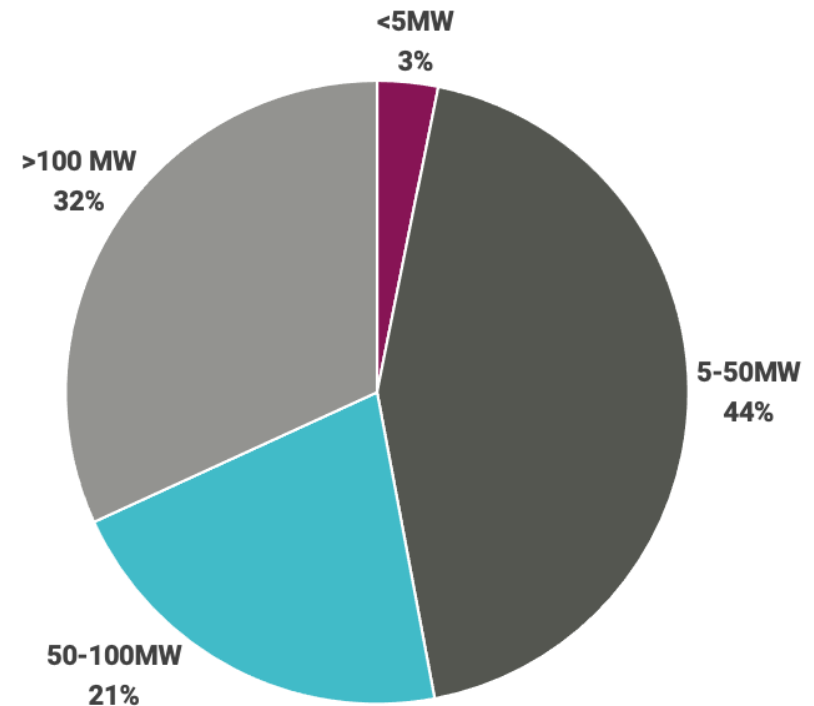


Importance of Scale

Since 1996, wind farms with a collective installed capacity of 8.6GW have been constructed across Scotland

- 53% of this was accounted for by projects with a capacity greater than 50MW.
 - Large projects (between 50-100MW) accounted for 21% of total installed capacity and very large projects (100MW) accounted for a further 32%.
- The Scottish Government aims to increase total installed capacity of onshore wind to 20GW by 2030.
 - At current delivery rates, it would take 54 years to reach this target through only smaller scale projects of less than 50MW.

Share of Installed Capacity Generated by Projects at Scale





Advantages of Delivering at Scale

Structural

- Larger sites offer a “bigger canvas” upon which to design a project, which gives developers greater flexibility in where to locate individual turbines.
- This makes it easier to accommodate considerations like ecology, archeology, visual impact and deliver more environmentally sensitive schemes.
- Environmentally sensitive schemes are more likely to gain approval, reducing planning risk and enhancing the viability of schemes.

Financial

- Bigger sites are more attractive to developers because they can generally accommodate more turbines. This is an advantage because it allows fixed costs to be spread over more revenue generating units, which enhances site viability.
- The removal of subsidies from onshore wind farms has made smaller schemes more difficult to deliver, meaning average size is likely to increase in the future.



Who Benefits from Renewable Energy?

The local community, national economy and wider society benefit from renewable energy

- The Local Community
 - The Scottish Government suggests a community benefit of £5,000 per MW each year is used as a community fund to support local areas to meet their strategic aims. Community benefits are becoming increasingly impactful with use of shared ownership schemes and more tangible local benefits such as electricity discount schemes
 - The local community can also benefit from improved access to green spaces and the infrastructure improvements brought about by onshore wind developments
- National Economy
 - It was estimated that the development of onshore wind has resulted in around £1,184 million in contract spending on Scottish companies, supporting jobs in both areas local to developments and across Scotland
 - Of this, around £638 million (54%) was spent to support the development of projects over 50MW
- Wider Society
 - Renewable energy has a significant role to play in supporting Scotland's transition to net zero and helping to address the climate crisis



New Build Housing Development





Scale of Activity

In 2020 there were 2.6 million households in Scotland

- Over the last 20 years the number of households in Scotland has increased by 15%.
 - this is partly due to an increase in population and partly because more people are living alone or in smaller households
- In 2020:
 - nearly 58% of Scottish homes were owner occupied
 - 15% were privately rented
 - nearly a quarter (23%) were socially rented from a local authority or housing association





Targets and Aspirations

Scotland needs around 26,000 new homes per year

- Scotland does not have an official target for the total number of new homes required, but various studies have estimated how many may be needed.
- The most recent estimate is from a 2018 study for Crisis and the National Housing Federation, which estimated an annual requirement of 26,000/year



“Over 15 years the total level of new housebuilding required is around 26,000 per year for Scotland.”

Crisis and National Housing Federation, 2018

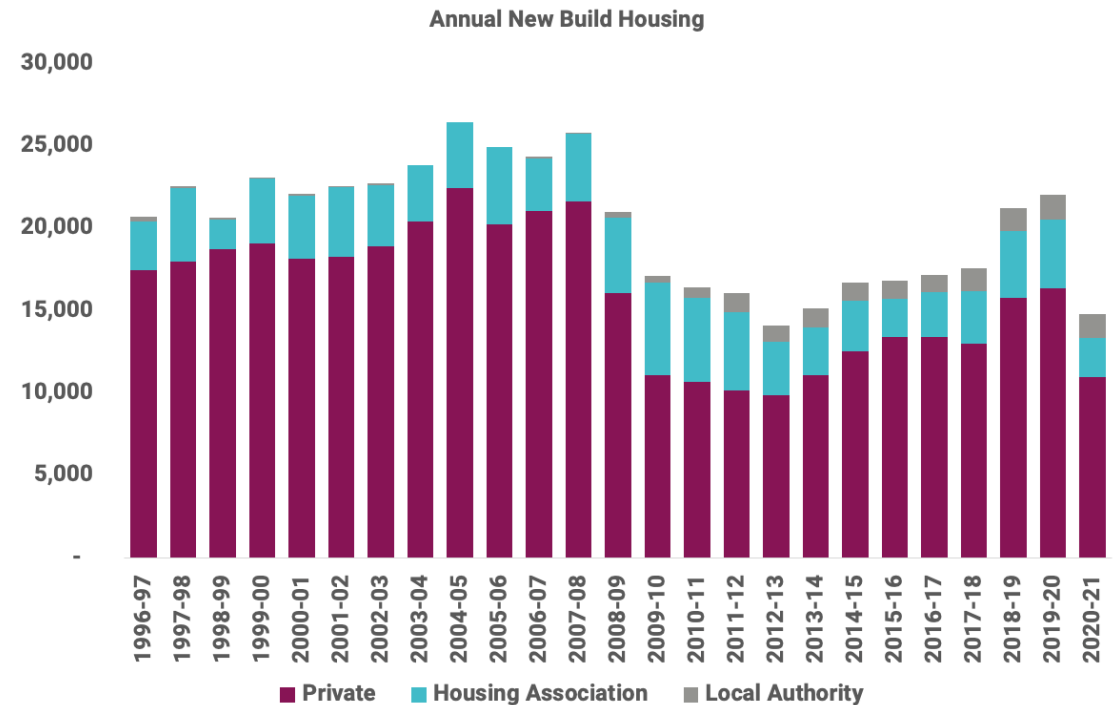
- This is consistent with research by Homes for Scotland, which suggests that at least 25,000 new homes need to be built each year



State of Progress

Scotland has not delivered enough new homes per year since at least 2007/8

- More than 506,000 new homes have been built in Scotland since 1996/97, an average of 20,200 per year.
- However, the annual requirement for 26,000 new homes/year has not been met in any year since 2007/8.
- Every time the annual requirement is not delivered, Scotland's total housing shortfall increases, and the amount of new housing needed each year to fill the gap grows.

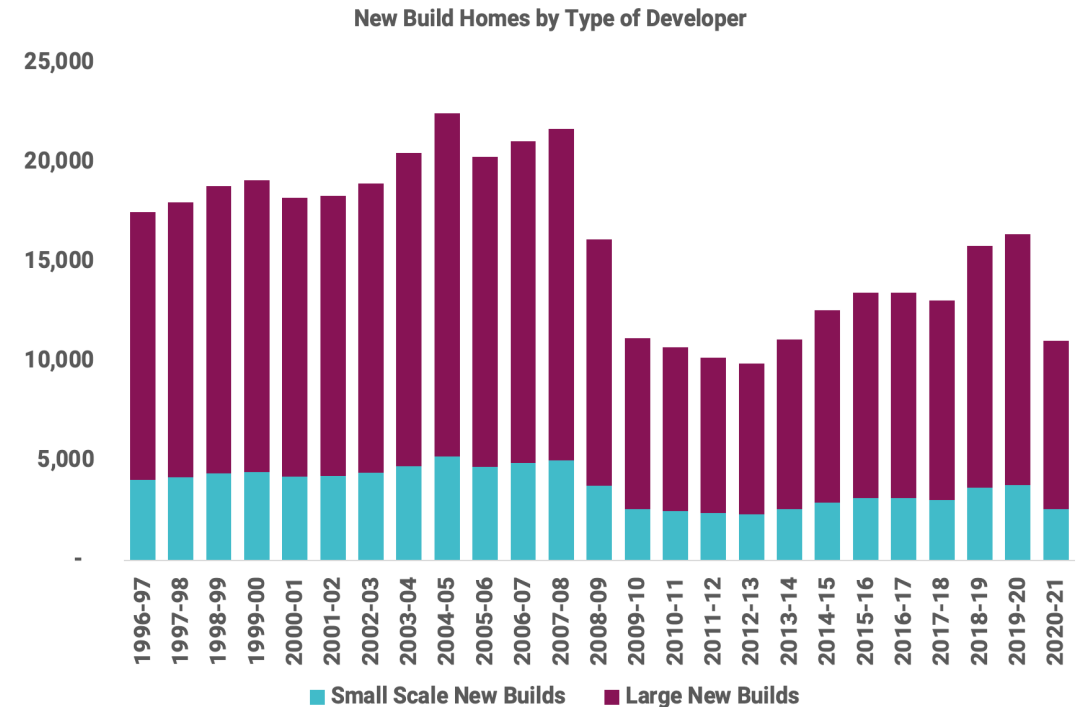




Importance of Delivering at Scale

Small housing developers account for around a quarter of total delivery

- Data on the scale of individual housing developments is not readily available, but around a quarter (23%) of new homes built in 2017/18 were developed by small and medium (SME) sized builders, who tend to focus on smaller developments of up to 50 homes per year.
- Large developments will therefore be particularly important for meeting Scotland's housing needs.
 - 20 large residential developments are expected to start in Scotland in 2023, the first phases of which are expected to deliver an average of 450 new homes
 - At least five rural estates are known to be leading large-scale housing developments of up to 5,000 homes. These estates include some of the largest in Scotland (i.e. 40,000ha +)





Advantages of Delivery at Scale

Structural

- Large scale development is well suited to a masterplan led approach in which multiple developers work together to deliver a shared vision. This can result in higher quality development because places can be planned holistically, and piecemeal development avoided.
- This type of approach is most effective when driven by a single entity, capable of taking a long-term approach to delivery. In the past both public authorities and large private landowners have played this role.
- Fragmented landownership can be a significant barrier to this type of approach.

Financial

- The cost of delivering small sites can be higher per unit than larger developments because fixed costs such as planning fees and infrastructure connections are spread over a smaller number of units.
- This is a particular disadvantage in rural areas where:
 - developments tend to be smaller
 - costs of delivery are often higher



Who Benefits from New Housing Development?

A well functioning housing market is an important part of the foundations for a healthy economy and society

- Individuals
 - adequate housing is a basic human right, recognised in the UN Covenant on Economic, Social and Cultural Rights
- Society as whole
 - quality housing is vital to public health and wellbeing, and has a major role to play in addressing socio-economic and health inequalities across the country
- The national economy
 - a well-functioning housing market is essential to economic performance, supporting labour market flexibility and enabling businesses to recruit the staff they need
- Local communities
 - well planned housing development can provide high quality neighbourhoods where people enjoy living and are able to access the services they need to live a good life



Rental Housing Provision





Scale of Activity

The private rented market is a vital component of Scotland's overall housing mix

- In 2020 there were around a million rented homes in Scotland, 38% of the total stock of dwellings.
- Most of these homes (60%) were rented from a local authority or housing association. The remainder were rented from private landlords.





Targets and Aspirations

Around 127,000 new rented homes may be needed in Scotland by 2032

- There are no official targets for the provision of new properties for private rent, but it is possible to derive an estimate of what may be required.
- The Scottish government is committed to delivering 110,000 affordable homes by 2032, of which at least 70% will be made available for social rent.
- Currently around 61% of rented homes in Scotland are rented from social landlords. Assuming no significant change is expected in the overall balance between private and social provision, this implies a total of around 127,000 new socially and privately rental homes may be needed by 2032.

"We will deliver 110,000 affordable homes across Scotland by 2032, with at least 70% in the social rented sector and 10% in our remote, rural and island communities."

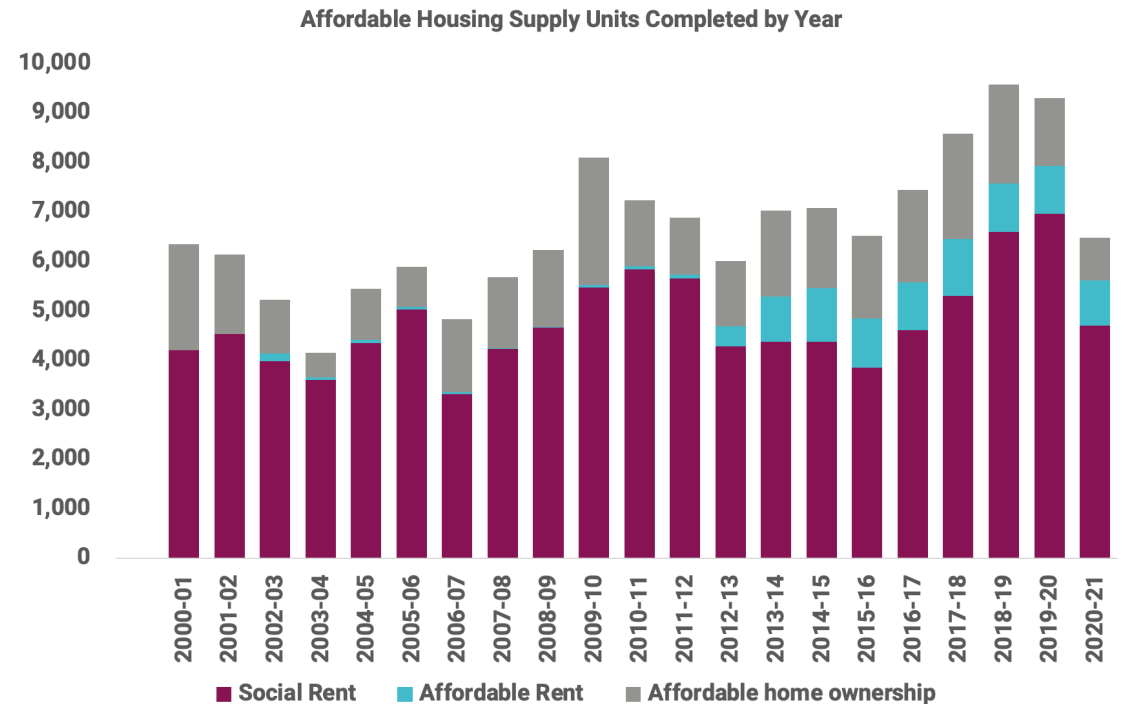
***Scottish Government, Programme for
Government, 2021-22***



State of Progress

Social provision of new affordable housing is significantly below the level required to meet Scotland's housing needs

- The Scottish government aims to deliver 110,000 affordable homes between 2022 and 2032, this implies an average of 11,000 new affordable homes will need to be completed each year.
- this level of delivery has not been achieved so far this century. In 2020/21, 6,477 affordable homes were completed and in the three years prior to the pandemic delivery was between 8,500 and 9,500/year.
- Privately rented homes are therefore likely to continue to play an important role in meeting Scotland's overall housing needs.



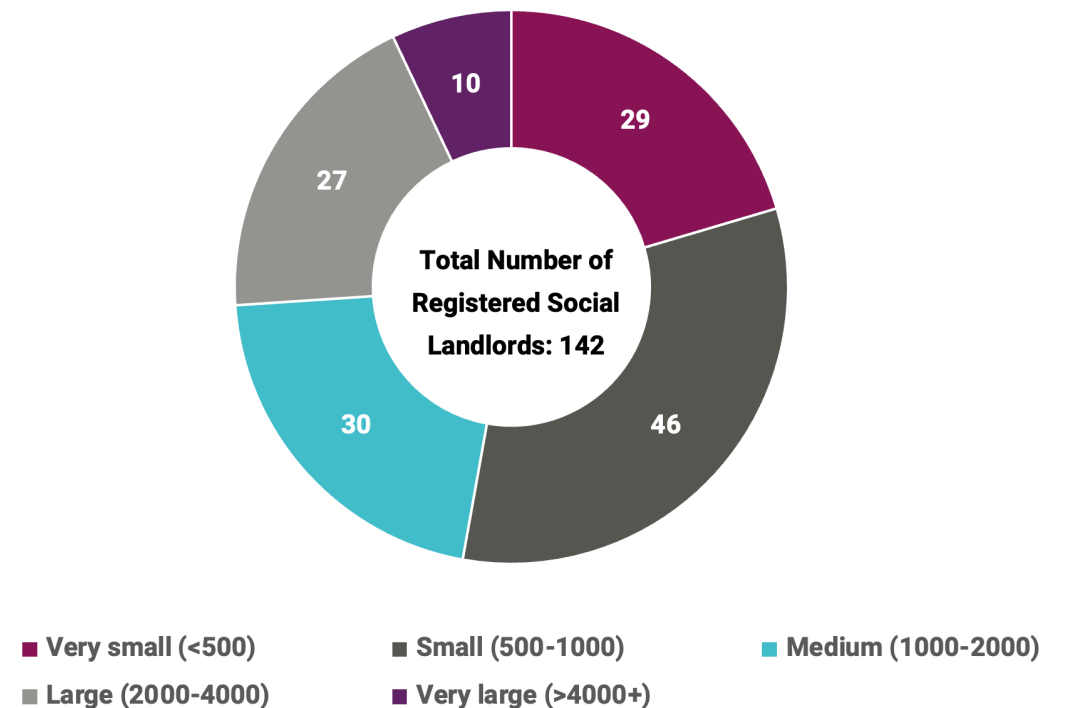


Importance of Scale

Large social and private landlords are both important for meeting demand for rented homes in Scotland

- In 2020 Scotland had around 242,500 registered landlords.
 - 99% of these landlords owned either 1 or 2 properties
 - three quarters of rented homes in Scotland are part of portfolios of more than three properties
- Larger portfolios exist in both the social and private sectors
 - Scotland has 142 registered social landlords, who provide around 60% of all rented housing in Scotland
 - rural estates provide homes for around 13,000 households in Scotland. Around a fifth of these are provided by 11 estates with portfolios of between 140 and 500 homes. Almost a third (29%) of these homes are “affordable”.

Share of Social Rented Housing by Portfolio Size of Provider





Advantages of Delivering at Scale

Quality of Service Provision

- Owners of large housing portfolios are more likely to be able to employ specialist staff to manage and maintain properties. This can enhance the quality of service provided to tenants.
- However, research by Scotland's Housing Network (a membership organisation for local authority and housing association landlords) found that overall **smaller housing associations perform better**.
 - they re-let homes three times more quickly'
 - do repairs twice as quickly
 - have two thirds of the rent arrears
- Scotland's stock of privately owned rented housing includes the portfolios of several large rural estates.
 - These portfolios range from 140 and 500 homes, **comparable in scale to small housing associations**
 - The average size of these estates is nearly 40,000ha (the smallest is 5,000ha)



Who Benefits From Rental Housing?

The economy needs an adequate supply of good quality rental housing to function well

- Individual tenants
 - housing is a fundamental human right
- The economy as a whole
 - a healthy supply of rental housing helps the economy to function well by providing flexibility in the labour market
- Rural communities in particular
 - the availability of rented accommodation is particularly important for rural communities because it enables people (particularly young people) to stay in the local area who might not be able to afford to buy their own home
 - the availability of rental accommodation also allows people considering moving to an area to experience living in a rural areas before they commit, enabling rural communities to maintain a flexible labour market and healthy population turnover
 - rental accommodation is crucial for enabling rural businesses to fill skills gaps and attract key workers like teachers and doctors



Conclusions and Implications for Future Delivery





The Need to Deliver at Scale

To Deliver Scotland's aspirations for a just transition we need to think BIG.

- Land based sectors have a crucial role to play in delivering key social and environmental outcomes for Scotland, but delivery is slower than required.
- At the current pace of delivery Scotland will not meet important targets for woodland creation, the rollout of renewables, peatland restoration or housing delivery.
- Large projects account for a significant proportion of what has been delivered to date.
- **Realising Scotland's aspirations for a just transition will require a significant increase in the number of large projects delivered.**





The Advantages of Delivering at Scale

Large projects can deliver more for people *and* planet

Economies of Scale

- Fixed costs can be spread more widely across larger projects, reducing the average cost per unit (ha/home/MW) delivered. This can:
 - improve project viability
 - making it more likely that projects will proceed
 - increasing speed of delivery more than would otherwise be possible

Quality of Delivery

- Large projects can generate big enough returns to fund specialised delivery staff, either via a dedicated in-house team or a contractual management arrangement. This can:
 - result in better designed projects
 - improve project management
 - enhance project outcomes

Holistic Approach

- Large projects can be designed at a macro level, taking account of landscapes, place, communities, ecosystems and/or water catchments. This can:
 - enable synergies to be realised between projects
 - multiple objectives to be realised simultaneously
 - societal value to be delivered alongside private gain

Delivery at scale creates the potential for advantages to be realised that may not otherwise be possible.



When Scale Can be an Advantage

The type of activity where scale can be an advantage share common characteristics

- The type of projects described in this report have the potential to generate greater benefits when delivered at scale but irrespective of this, they also require:
 - a long-term investment, often spanning generations
 - a permanent change in land-use
 - upfront investment to kickstart activity
- Projects are more likely to be delivered where these factors are present.
- These factors are more likely to be present when project promoters have:
 - the authority to make long-term decisions on land use change
 - a long-term and stable interest in the land
 - the willingness and ability to engage in long-term planning and accept returns over the long-term
 - access to sufficient resources to support investment



Delivery at Scale and Multiple Landownership

Multiple landownership can be a barrier to delivery at scale, but is not insurmountable

- Projects involving a single landowner tend to be:
 - more straight forward
 - less risky
 - quicker to deliver
- All of this helps make these projects more attractive to investors and increases the likelihood of successful delivery.
- Many successful multiple landowner projects have been delivered at scale, but effective delivery depends on strong and effective governance arrangements. Such arrangements increase the administrative load on a project, which:
 - increases the cost of delivery
 - may slow the pace of delivery
- This can increase the risk a project will not proceed.



Implications for Delivery

A supportive regulatory and policy environment will be key to realising the benefits of delivery at scale

- **Minimise bureaucratic complexity.** Excessive regulation can slow down project delivery and increase costs. Striking an effective balance between regulation and delivery will be essential for meeting net zero targets.
- **Improve administrative efficiency.** Delays in securing project funding increase costs and can prevent projects being pursued. Processing grant applications in a timely manner would help avoid this.
- **Integrate support for complementary land uses.** Projects involving multiple land uses can deliver multiple objectives simultaneously. Synergies between projects can help reduce delivery costs, enhancing project viability. Current support systems do not encourage this.
- **Promote the benefits of delivery.** Increasing awareness of the benefits of large-scale delivery and associated opportunity costs, for different types of project promoters, could stimulate the appetite for delivery.
- **Address barriers to delivery.** Upfront investment is an important characteristic of delivery at scale but can be a major barrier for some projects. Intervention to increase the availability of funding could enable large-scale projects to be pursued by more people.



End



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