Written submission from the Association of Deer Management Groups

The Association of Deer Management Groups submitted comments on the Consultation Paper “The Future of Land Reform in Scotland” earlier this year. We now have the Bill in front of us and are pleased to have a further opportunity to comment. In doing so we confine ourselves to the measures relating specifically to deer management, these being contained in Part 6 and Part 8 of the Bill.

Part 6 Repeal of Exclusion of shootings and deer forests from the valuation roll.

The Bill provides little detail in respect of this proposal and a number of questions arise, namely:-

(i) **What valuation method will be employed by Local Authority Assessors in establishing net annual value?** Pre 1995 when shootings and deer forests were removed from the valuation roll, owing to insufficient evidence of “statutory” rents of sporting rights, Regional Assessors used the number of deer culled and the income generated from the letting of sportings as proxies for assessment of rental value, defined in the statute as “the rent at which the lands and heritages might reasonably be expected to be let from year to year if no grassum or consideration other than rent were payable in respect of the lease and if the tenant undertook to pay all rates and had to bear the costs of repairs and insurance and other expenses, if any, necessary to maintain the land and heritages in a state to command that rent”. We believe that more evidence may now be available of leases of sporting rights for a year or longer which meet the terms of the above rating hypothesis than was the case pre 1995 and have been participating in some work with Scottish Land and Estates to assess the availability of such evidence.

(ii) **How will Local Authority Assessors differentiate between deer culled for sport and deer culled for management purposes?** The culling of deer is carried out for a number of different management purposes - for deer welfare; to protect the environment; to prevent economic damage to farm crops, forestry etc; to reduce the risk of road accidents; and for sport – “deer stalking”. All culls, including those let for sport, are for management purposes to keep deer numbers at a sustainable level. ADMG opposes the reintroduction of business rates on the basis that income generated from the letting of deer stalking for sport is necessary to meet the cost of essential deer management, a public service in respect of private land delivered at no direct cost to the public.

If Part 6 of the Bill is to be implemented relief should at the least be available for management culls which are undertaken in the public interest and which generate no income from letting. A definition is therefore required for deer not culled for sporting purposes and we would suggest: “Deer of all species, killed by an owner or tenant of sporting rights or those acting on their behalf, for the purposes of sustainable deer management and for which no payment is made by a third party as a hunting fee.”

(iii) **What financial burden will business rates on sporting rights represent?** We are particularly concerned that the Scottish Government appears not to have carried out a full economic impact assessment on the proposed measure. This
being a requirement of legislation we trust that an impact assessment may still be carried out during the passage of the Bill.

We would make the point that any significant additional cost is likely to have a negative effect, being a disincentive to maintain deer management and investment. In some circumstances deer related employment may be reduced which would be detrimental to the local economy and potentially to local communities, the support of which are one of the main objectives of the Bill.

One of the consultants currently assisting DMGs in writing deer management plans has made the comment – "I have come to realise over the past year or so just how important sporting income from red deer is to a number of community owned estates. The ones I know about have taken on or increased the activity that was taking place beforehand. It is often one of their few sources of income (usually the only one) that is not tied up in grant obligations and can therefore be used as unrestricted funds. If they are now to face a rates bill, it will have a disproportionate effect on them, potentially wiping this income out. I hope the Scottish Government are aware that the people they are intending to help could be unwitting casualties of their new initiative."

(iv) **Will business rates on sporting rights apply on all land?** Deer are present on virtually all land in Scotland including in many urban and near urban areas. That being the case, as deer in most situations could potentially be utilised for sporting purposes, some value is likely to be attributed by Assessors to sporting rights on any land regardless of scale or activity, including public as well as private land. It should be noted that deer stalking is let on some land owned by the Scottish Government, for example land under the management of Forest Enterprise Scotland.

(v) **Will sporting rights qualify for relief under the Small Business Bonus Scheme (Scotland)?** If so this will be beneficial to smaller subjects where the value of sporting rights is assessed below relief threshold levels. However assessments will be required to establish this. It is also not clear whether sporting rates may be aggregated with rates payable on any other rateable enterprise operated within the same business (eg self catering or horse livery) for SBBS purposes. If so there is a danger that some smaller sportsings subjects may be liable to pay rates while others are exempt, which would be inequitable.

(vi) **Parity with other business.** As justification for the proposed repeal it has been said that exemption for sporting rights is anomalous in terms of other business. However exemption is to remain in place for fishings, farming and forestry. In what respect does management of land for shooting and deer stalking differ from fishery management, agriculture or timber growing?

And some additional points of concern:

(vii) **Reduced resources for deer management.** In the early 1990s when deer stalking and shootings were removed from the valuation roll, Deer Management Groups were at an early stage of development. Since that date the increasing importance of collaborative management has necessitated the funding of DMGs and ADMG. Total DMG and ADMG subscription income is estimated to be around £150,000 per annum, raised voluntarily. This money is invested directly into the
organisation of collaborative deer management and could be much reduced if those who contribute are faced with business rates. The funding of DMGs could indeed be said to have utilised the moneys required for sporting rates prior to 1995, a beneficial outcome of the exemption.

(viii) Possible effects on deer data gathering. At present the annual return of culls to Scottish Natural Heritage is limited to landholdings of which SNH has knowledge. It is known that many landholdings are not included despite comprehensive information being held on landholding occupation within other parts of Government. It is highly desirable that accurate annual cull statistics are gathered as a basis for assessing population trends and impacts and to monitor the effectiveness of management at individual location level. It should be noted that such information should be available not only in respect of farms, estates, woodlands and crofts but also for some domestic properties; recreational land such as golf courses; common land; land owned by companies, membership organisations and charities; as well as land in public ownership through Government Agencies and Local Authorities. The reintroduction of sporting rates is likely to discourage those disinclined to volunteer an annual return from doing so.

(ix) Availability of local services. Business rates are intended to contribute to the cost of services provided by Local Authorities. Deer management often takes place in remote areas where residents do not have full and equivalent access to such services, for example public transport, proximity to schools, road maintenance and snow clearance. (Indeed in many cases privately employed deer stalking personnel contribute to local services by carrying out snow clearance on behalf of the Council). Local rates relief for remoteness should be available for sporting rates.

Notwithstanding the above, we believe that there is an opportunity for the reintroduction of business rates for sporting rights to have a positive effect, to act as an incentive to sustainable deer management rather than as a disincentive. We would therefore propose that relief should be available for sporting rights which are managed in a way which meet relevant public interest criteria. For example a landholding which participates in a Deer Management Group for which there is an effective deer management plan, endorsed by Scottish Natural Heritage, might qualify for relief. This would have the effect of promoting collaboration, furthering the public interest and strengthening the voluntary approach to deer management. Appropriate use of reliefs would also be a powerful mechanism for ensuring continued and appropriate management of designated sites, leading to improvements in habitat condition where necessary.

Part 8 – Deer Management

It is understood from the policy memorandum which accompanies the Bill that these measures, introducing additional powers for SNH to intervene in situations where deer management is deemed to be unsatisfactory, will not be introduced until after the 2016 Review of Deer Management. In his response to the RACCE Committee review of deer management in 2013 the then Minister accepted and endorsed the recommendation of the Committee that the deer sector should be given until 2016 to demonstrate that the voluntary approach to collaborative deer management is fit for purpose. The inclusion of additional statutory measures in the Bill is at odds with this
conclusion. We would therefore wish to see the deferment of implementation until after the 2016 review confirmed within the Bill.

Should there, after the 2016 review, be a small number of areas where insufficient progress is being made or where failure to co-operate by some may be inhibiting others, all reasonable attempts at persuasion having failed, ADMG might not oppose intervention by SNH. We do not therefore object in principle to this proposal in the Bill but would wish to have additional detail as to how it would be implemented in practice, post 2016. We consider the proposed penalty to be imposed in such circumstances to be disproportionate.

To conclude we oppose the proposed repeal of the exclusion of shootings and deer forests from the Valuation Roll for the reasons stated above. If however this is implemented we believe there is an opportunity for it to be used to support effective deer management if reliefs are available for deer managers who meet certain relevant criteria. This could have a very positive effect and we would be willing to be involved in developing detailed proposals for an exemption scheme along these lines.

We will be pleased to expand on any of the above points, either in writing or in person, should this be helpful.