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Pàrlamaid na h-Alba

Official Report

RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE

Wednesday 26 September 2012

Session 4

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CONTENTS

	Col.
SUBORDINATE LEGISLATION	1113
Bathing Waters (Scotland) Amendment Regulations 2012 (SSI 2012/243)	1113
LAND REFORM REVIEW GROUP	1114
WOODLAND EXPANSION ADVISORY GROUP (REPORT)	1132

RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE
20th Meeting 2012, Session 4

CONVENER

*Rob Gibson (Caithness, Sutherland and Ross) (SNP)

DEPUTY CONVENER

*Annabelle Ewing (Mid Scotland and Fife) (SNP)

COMMITTEE MEMBERS

*Claudia Beamish (South Scotland) (Lab)

*Graeme Dey (Angus South) (SNP)

*Alex Fergusson (Galloway and West Dumfries) (Con)

Jim Hume (South Scotland) (LD)

*Richard Lyle (Central Scotland) (SNP)

*Angus MacDonald (Falkirk East) (SNP)

*Margaret McDougall (West Scotland) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Dr Alison Elliot (Land Reform Review Group)

Jo Ellis (Forestry Commission Scotland)

David Howat (Forestry Commission Scotland)

Professor James Hunter (Land Reform Review Group)

CLERK TO THE COMMITTEE

Lynn Tullis

LOCATION

Committee Room 2

Scottish Parliament

Rural Affairs, Climate Change and Environment Committee

Wednesday 26 September 2012

[The Convener *opened the meeting at 10:00*]

Subordinate Legislation

Bathing Waters (Scotland) Amendment Regulations 2012 (SSI 2012/243)

The Convener (Rob Gibson): Good morning and welcome to the 20th meeting in 2012 of the Rural Affairs, Climate Change and Environment Committee. Members and the public should turn off all mobile phones and BlackBerrys, as leaving them in flight mode or on silent will still affect the broadcasting system. We have received apologies from Jim Hume.

Item 1 is consideration of subordinate legislation that is subject to the negative procedure, the title of which is listed on the agenda. Members should note that no motion to annul the instrument has been lodged. I refer members to the paper. Does the committee agree that it does not wish to make any recommendations on the instrument?

Members *indicated agreement.*

Land Reform Review Group

10:01

The Convener: The next agenda item is the committee's hearing the land reform review group's initial ideas. When the committee agreed its work programme for the term, we agreed to look into the work and progress of the land reform review group, along with the group's finalised remit, as agreed by ministers.

I have great pleasure in welcoming the group's chair and vice-chair—Dr Alison Elliot and Professor James Hunter. Good morning. If you would like to make some initial remarks, they might help us to focus our discussion.

Dr Alison Elliot (Land Reform Review Group): Thank you very much for giving us the opportunity to meet everyone round the table. I am hopeful that we will keep channels open with members of the committee and with other MSPs. I imagine that, as MSPs, you are one of the first ports of call for people who have concerns about the land system and I think that, as well as having a policy interest in the subject, you may well have particular views on land reform and land-related issues that are not necessarily just a repetition of the standard party lines of the various lobby groups in this area.

Jim and I are both highly committed to the whole area of land reform, and we welcome the opportunity to get a grip of it again. Where do we start, Jim?

The Convener: That is what vice-chairs are for.

Professor James Hunter (Land Reform Review Group): Thank you for the opportunity to be here. I echo Alison's comments about keeping in touch with the committee and other MSPs over the next few months.

Up to this stage, we have been working out how we will do the job. We have had some initial discussions with ministers and others about our remit, which has been finalised. Members have, no doubt, had a chance to have a look at it. We plan to finalise imminently our work plan for the year and a bit ahead, in respect of getting to the publication of a final report.

It would be fair to say that we have, until now, focused on how we will do the job—the process—rather than on the content of what we will do.

Dr Elliot: As far as processes are concerned, we have identified 4 October as a key date. We hope to be able by then to issue a call for evidence, to publish the list of advisers whom we have signed up and to publish a work plan for the rest of the year. We also plan to have the first

meeting with our advisers on 4 October. We have put a time limit on things in that way.

As far as the topic is concerned, our approach will be to cast the net as widely as possible to begin with and to narrow down to what is manageable later in the process.

The Convener: When we first discussed the subject last year, we referred back to the words of Donald Dewar in his 1998 McEwan lecture on land tenure. The summary at the end of that lecture states that we should aim

“at the future, not the past”,

that we should try to “remove barriers to opportunity”, that we need to “increase diversity”, and that it is essential that we

“increase local involvement in decision-making.”

I presume that those aims are in line with the kind of things that you are thinking about just now.

Dr Elliot: Yes, I think so. I am looking forward to the debate being very different, in a sense, from that which took place in the 1990s, when we were focused on getting rid of feudal tenure and a few well-known case studies dominated the debate. Various things have happened since then that lead us to a different kind of debate.

First, community empowerment is a key issue for the wider public debate. People have always wanted to include urban areas in the debate about land reform, and our now having a common language with which we can speak across the different communities makes that easier. Secondly, the fact that we are in a recession means that questions can perhaps be asked more readily about such things as tax relief and subsidies, which would be asked in a different way in times of plenty. Thirdly, we now have 10 to 15 years’ experience of what happens when communities own their land, so we are starting from a very different base. I hope that we will have a different kind of discussion.

The Convener: Indeed.

Professor Hunter: In that context, it is particularly welcome that the remit that we have been given and which has been agreed is extremely wide ranging. It is more wide ranging than many people, including me, would have anticipated some months ago, and that is very much to be welcomed. It touches on some of the points that Donald Dewar made the better part of 15 years ago. In particular, although it will be one of our key concerns to look at the operation of the Land Reform (Scotland) Act 2003, we will be expected to cast our net beyond that and into a range of other issues. As our remit says, we will have to have regard to urban as well as rural Scotland. Even in the rural context, we will not

focus—as the whole movement towards community ownership has, so far, tended to focus—on the north-western corner of Scotland.

The Convener: Indeed.

Professor Hunter: I should add that the north-western corner of Scotland is extremely important: let me not appear to disparage it in any way.

The Convener: As a representative from that area, I agree.

Richard Lyle (Central Scotland) (SNP): Professor Hunter touched on the question that I was going to ask. In July 2012, the Scottish Government announced that it was setting up your review group. It stated that the group

“will oversee a wide ranging review of land reform in Scotland.”

How wide ranging will your review be? Are you going to be radical or just touching the edges?

Professor Hunter: It is a bit premature to outline what we will eventually say; we do not know that, at this stage. However, our aim is to be wide ranging, and when we issue the call for evidence that Alison Elliott mentioned—and which will happen fairly shortly—we expect to hear from groups and individuals from throughout Scotland who are involved in a wide range of issues relating to land. As I said, we will not confine our attention to issues of community ownership and the like, but will range way beyond that. The Scottish Government clearly expects us to do as our remit states, and the First Minister has said that the Government is looking for innovative and radical proposals across a wide swathe of the territory.

We are well aware that there is a lot of complexity. It is unlikely that we will provide draft legislative proposals on every single aspect that might be covered by our remit, but we certainly intend to look widely across the subject areas that fall within land reform in a general sense, and to look widely across Scotland territorially.

Richard Lyle: I know that you are drawing up your work programme and that you will call for evidence, but I would like to tease out what initial reforms you think are required.

Dr Elliot: Before the meeting, the convener pointed out that the process has been going on for 1,000 years, so it is not as though we are at the start of the process. We will wait and see where the concerns are. I do not want to close down the debate at the beginning by saying what we are going to do.

Our remit tries to unpack what “land reform” means. From listening to much of the debate, it sounds as though people have it in their minds that land reform is about community ownership in the north-west. Land reform tends to be thought of

as a package, which diminishes the potential of the subject. The first three bullet points in our remit identify the different issues on which land reform touches. Fundamentally, it touches on the relationship between land and people. One way of being radical is to go back to the roots of what, in the past, we have thought land reform should be and what we think it should be in the present and the future. Land reform also touches on how land is owned and how it is used. We have been trying to unpack the issues, rather than talk about land reform as a package, and as if we knew exactly where the pinch points will be.

We recognise that the old agenda of community ownership is not finished and that we must keep it to the fore. However, I hope that we will extend that into the urban situation. I am fascinated by what is going on in the Borders. There is all the stuff about land reform up in the north, but things are happening in agricultural and rural areas in the south of Scotland, too. It will also be important to consider international comparisons.

Professor Hunter: It is fairly clear from our remit—and it is a self-evident fact—that Scotland has one of the most concentrated patterns of land ownership in the world and—certainly—in Europe. Given the call for innovative and radical proposals and the fact that our remit says that one of our aims is to identify how land reform will

“Enable more people in rural and urban Scotland to have a stake in ... ownership”

and “governance”, one key area that we want to explore is how that pattern can be changed in the way that is indicated in our remit. In other words, we will want to explore ways in which the land ownership pattern can become less concentrated and, perhaps, more equitable.

Alex Fergusson (Galloway and West Dumfries) (Con): I agree entirely with the convener and Jim Hunter that the north-west of Scotland is extremely important—it is almost as important, I suggest, as the south-west of Scotland, part of which I represent.

I was pleased to hear Jim Hunter say that current land reform, particularly in relation to community ownership, has tended to concentrate in the north-west. The response to land reform in the south of Scotland has been patchy and there has almost been a feeling that “This isn’t for us.” I would be grateful for your comments on the following question. You have already mentioned this in relation to urban areas, but is it part of your remit to positively and proactively find ways of encouraging greater community ownership in parts of Scotland other than the north-west, and to see how community ownership can be expanded elsewhere?

10:15

Dr Elliot: I have read the stories of the impact of community ownership on communities, particularly in the Western Isles, and have seen communities being released from particular attitudes and from their feeling of being held back, so I think that we should, where possible, develop means of allowing communities to flourish in that way. Whether it happens through ownership of the land or through other ways of engaging and empowering communities is a much more interesting and detailed debate that we will need to have in the future. We should not go down the line of saying that there is only one answer to this question, because the question itself is actually many questions.

Given that we live in a time of limited financial resources, we have to examine all our resources, not only those that are tied up in the land, but those that are tied up in people. If we have not been able to release and use those resources to the best of our ability up to now, that is simply bad stewardship of people’s assets as well as of the land.

Alex Fergusson: I understand entirely what you are saying and have a great deal of sympathy with most of your comments. I take it, however, that you are going into this exercise with the view that there are different ways of making changes, that you will look at all sorts of models and that you will be making it clear that this is not just about land ownership and that there are many other ways of empowering people to realise the potential of their communities and so on. Will you confirm that you are going into this with the attitude that not everything that exists is necessarily bad and that instead of just changing things, there are perfectly good examples around the country on which you might hope to build?

Dr Elliot: Absolutely. We are looking for positive ways forward, and if any exist we should certainly build on them. I come to this from being a member of the Christie commission, which was able to complete its work in six months only because good examples already existed. I imagine that the same will happen here, and that as we go around Scotland we will see examples of ways in which these things can be satisfied and try to build on them.

Alex Fergusson: Finally, I recommend that you explore the south of Scotland. You might well see some things down there.

Dr Elliot: I very much look forward to that.

Professor Hunter: I simply confirm that we definitely want to look at how some of the very beneficial consequences of community ownership in the Highlands and Islands, particularly the Hebrides, can be extended to other parts of rural

Scotland. The interesting thing is that, whether we are talking about Gigha, Knoydart, South Uist or whatever locality, the issue has not simply been about transferring ownership from an individual, consortium or some such to those communities. In every case—and in some cases more dramatically than in others—the move has served to unleash enterprise and initiative in sometimes remarkable ways. We have seen businesses flourish, populations rise and houses provided in areas where previous owners would not have built them. Clearly, there is scope for such initiative to emerge in other parts of the country.

However, I agree entirely with Alison Elliot. This is not to say that in the debate there are two poles—outright private ownership and community ownership. There will be—indeed, there must be—scope for variations between the two poles. There is no reason—in principle, anyway—why under private ownership there cannot be more community engagement and even blends of ownership of assets within a particular locality. There is quite a lot to be explored, and it is still early days.

Certainly, it would be a great pity—I know that the committee expressed this view when it looked at the subject not so long ago—if community ownership of land came to be regarded as being a bit like crofting: something exotic and different that exists only in a corner of Scotland and which has no relevance to other parts of Scotland. We must move away from that and look at how we get community ownership up and running in the south and south-west and, indeed, the north-east and other parts of the country.

Alex Fergusson: Just for clarity, are you suggesting that this could be as much about empowerment as about ownership?

Professor Hunter: Yes. That said, there is an issue with regard to ownership, too. The ultimate form of empowerment is ownership of an asset. I am certainly not ruling it out, but there can be advances without advancing all the way to outright ownership.

Alex Fergusson: Thank you.

Annabelle Ewing (Mid Scotland and Fife) (SNP): Good morning. I wish to bring to everyone's awareness the successful community buy-out in Comrie, the village in which I live in Perthshire. We bought out what was originally a prisoner of war camp and latterly an army training camp at Cultybraggan. I invite our witnesses to Comrie, too, to discuss the outcome thus far of that 2007 buy-out with the people who were most involved. They have a lot to say about not only the wider issues of empowerment but the process issues. When the committee looked at the issue last year, we identified some important process

issues in the community buy-out procedure that require attention in order to facilitate better outcomes.

Professor Hunter said a moment ago that in his view the ultimate form of empowerment is likely to involve ownership of an asset. I was struck by that remark, because when Comrie voted to buy out the land at Cultybraggan, many people who were of a certain generation were thrilled because they had never owned any heritable property in their lives. They were proud to have reached that point in their lives and to see that huge societal change happen in their village.

The work that the witnesses have ahead of them will keep them busy. How will you collect evidence? Will you target certain organisations or groups? Will you issue a general call for evidence? I suspect that many people who would love to have discussions with your group may not, for whatever reason, make direct submissions to a call for evidence.

Dr Elliot: We are very conscious of that, and that if we visit one part of the country, people 50 miles along the road might say "Why didn't you come to see us?" However, we cannot go everywhere.

On identifying and targeting people, we have spent the month of September with four of what we reckon to be the key players, just to introduce ourselves and to get a quick heads-up on what they expect from the review. We met Andy Wightman, Scottish Land & Estates Ltd and Community Land Scotland and we are meeting the Development Trusts Association Scotland next week. We reckon that we will, for various reasons, bump into those people throughout the year.

We made a general call for evidence because interesting ideas often come from people who are not in the mainstream, so we hope that we will be able to identify good things from that. We hope that our advisers will point us to specific areas, good examples and particular people whom we should see. I have a list of key people with whom I want to have conversation, including the Scottish Law Commission, which works in a specialised area. Those people not only know what the law is, but know how it might be changed.

When I was appointed to this position, over the summer, I was telling people about it and everybody had a story about land reform. The issue is pervasive, so we are getting a lot of people requesting that we visit them. I do not know how we will do that, but it will have to be in conjunction with, and under advice from, our advisers, secretariat and support team. We certainly mean to be active and visible, and to cover as much of the country as we can. It is a great opportunity and we are looking forward to

seeing what is happening. You can read reports until you are blue in the face but, as you all know, it is crucial that we see from different perspectives what Scotland is like.

The Convener: It will certainly help the tourism industry if you take all your advisers during the shoulder season to visit different parts of Scotland.

Claudia Beamish (South Scotland) (Lab): Good morning to you both. From my perspective, is it heartening to hear the points that you have made about the questions that were previously asked by the committee.

I do not want to be critical, but I have a particular concern about the focus on the north-west. As one of the members who went on the committee's visit to Gigha, I was completely inspired but, in representing South Scotland, I am concerned about the lack of understanding about the possibilities. How might you engage with communities in the Borders, Clydesdale and the south-west that do not necessarily know what the possibilities are?

On Gigha, we were told that it was not until the people there had visited Eigg—I think it was Eigg; I might be wrong—that they understood the opportunities, how they could take the land into their own hands and the structures that would allow them to do that. How might that be tackled?

How, if it is appropriate to ask—I do not know whether it is—have the advisers been appointed or how will they be appointed? How widely are those positions advertised, including in terms of geography and equality? I am aware of the group's remit, but I would like you to shed some light on the appointments process.

Dr Elliot: I will deal with the question about the advisers. We are conscious that people from all kinds of places want to give us advice, so we will not be short of that. Therefore, we had to think a bit about what the adviser's role would be relative to the other sources of information. We took the position that we will go to particular lobby groups when we want their party line. We do not need advisers to wear particular hats, so we have said explicitly to them that they are there as individuals who have specific experience and backgrounds because we want advisers who can help to move the subject, and us, on. They must be free to change their own minds as the process goes on. We have identified a large group.

We did not advertise; we built up a set of names that had, in a sense, been provided for us by the Scottish Government's rural affairs department. We have identified a dozen people. I have a list of the areas that they cover—most of them wear more than one hat. They are land research, agriculture, the Highlands and Islands, economics, crofting, planning, access, urban studies, legal

questions, rural development, forestry and community woodlands, estate management, land ownership, and urban community development. We also have a chartered surveyor.

We are spreading the work as widely as we can among the advisers. Their job is to be at the end of the phone when we need them, to come with us—not all at once, despite the convener's suggestion—when we make visits and need their support, and to point us in the direction of other people.

We were also hoping that the advisers might set up things like expert seminars for us, which would involve identifying people who could brief us on particular matters. We are very excited about our list of advisers—I wish that we could tell you who they are.

10:30

Professor Hunter: I very much agree. It is hugely helpful for people on the ground to see at first hand what similar groups of people have done. In fact, I do not think that there is anything better for fostering a sense of the possibilities in this whole area.

Claudia Beamish is right that the people in Gigha, who began by being somewhat sceptical and in some cases hostile to the notion of community ownership, were convinced that it might be something that they could go for when they saw what was already happening on Eigg, which was one of the first instances of community ownership—it goes back to 1997, while it happened in Gigha in 2002. It would be helpful if there were mechanisms that enabled people in other parts of Scotland to look at some of those instances.

What has also been hugely helpful in the Highlands and Islands has been the role of what used to be called the community land unit in Highlands and Islands Enterprise—an organisation about which I am not totally unbiased since I was its chair for some years. That unit and the agency itself have been helpful in fostering that contact and in providing information, back-up and, of course, financial assistance. That was and remains important.

This is not a criticism of Scottish Enterprise or other agencies, but it is simply a fact that the rest of Scotland—particularly perhaps the southern half of Scotland, in the Borders and the south-west—shares many of the difficulties of the Highlands. In fact, the south-west exhibits rural deprivation in a much more extreme form than most of the Highlands. Those areas have lacked an organisation such as HIE. That has been disadvantageous in this context, and it is something that could be looked at.

Further reflecting on Alex Fergusson's point, it is extremely important to note that the aim of getting communities engaged with land is not simply about transferring land in private ownership to communities. It has also been—and must be in future—about transferring land in public ownership to communities. If the Scottish Government wishes to foster such developments, it must be made easier for communities to take ownership of the vast tracts of Scotland that are in the ownership not of private landlords but of the Scottish Government or its agencies. No doubt that is something that we will be examining.

Claudia Beamish: I have a broader question about your remit. It might be asking too much, but will there be an opportunity to look at models in other countries? Is that something that you are considering?

Professor Hunter: Fact-finding missions to exotic parts of the world, especially in December and January, would be extremely welcome.

Dr Elliot: We have to look at models in other countries. Land reform is an issue in which there are a lot of fault lines, and one way of dealing with a fault line is to raise the game or look outside. When two areas are at loggerheads, we have to be able to demonstrate that it does not always have to be like that. Often, the way to do that is by showing how things work in other countries.

Professor Hunter: I will be more serious about the question. Constant references are made to other countries where, it is alleged, things are done better than they are here—I made one myself by saying that we have a more concentrated pattern of ownership than other countries. It is important to try to understand a little more about ownership in other countries and how it has evolved.

It is also important to try to understand how ownership patterns in the British isles have changed at the instigation of British Governments. The most glaring example is Ireland, which has a very different pattern of ownership from Scotland because of land reforms that were instigated not by Irish Governments but, before Irish Governments existed, by British Governments at the end of the 19th century and in the early part of the 20th century. One might wonder whether the Irish model is better or worse and whether it helps with community development.

Of course, there have been many changes in Scotland that are not well understood. If we go back 100 years, we find that almost all the agricultural land in Scotland was tenanted, but today a considerable proportion of it is owner occupied. Has that change, which usually happened without state intervention, been for the better? Is Orkney a more prosperous place

because it has an entirely owner-occupied farming structure, as some would suggest? Is that one reason why it is a relatively prosperous and successful rural community in comparison with other communities where that structure does not prevail?

Those questions have perhaps not been as fully explored as they might be, and they could be looked into.

The Convener: How do you articulate your work with industry bodies such as the tenant farming forum and the rent review group?

Dr Elliot: I see our work as being complementary to theirs and to the proposed community empowerment bill, which will go through the Parliament at the same time as we do our work. I hope that there will be positive feedback from one to the other. We will have to take advice from civil servants and other people who understand how to get the information.

Graeme Dey (Angus South) (SNP): Is the plan to produce the final draft report and send it to ministers by December 2013?

Dr Elliot: Yes.

Graeme Dey: Given your wide-ranging remit, the importance of the subject and the workload it sounds as if you are taking on, are you operating to an achievable timetable?

Dr Elliot: Part of the task is to make it achievable. We will have to whittle down the task.

One of the dangers of making the remit wide to begin with is that people will be disappointed if we do not pick up everything that comes along. We hope that we will be able to recast and focus the work by Easter next year and then go into a second phase of testing out the detail and specific proposals in the areas that we will consider. We hope that we will be able to pick up on issues that it seems feasible to address and in which there are already some proposals for how to develop land reform or on which we have our own proposals.

Graeme Dey: Can you do justice to the subject in the 14 months that you have?

Dr Elliot: Not when the issue has been around for a thousand years. We will just have to cut the cloth to suit the timescale. We are not pretending that our work will be comprehensive, because it cannot possibly be comprehensive, but I hope that it will be wide ranging in the sense that it will not simply be focused on closing down the conversation at the beginning. It is all ahead, I am afraid.

Professor Hunter: We should clarify that we have been asked to provide a draft report by the end of next calendar year and a final report by

April 2014, so there is a little longer than you indicate, Mr Dey.

We are under no illusions that it is a very big task and, as Alison Elliot said, we certainly do not expect to produce something that is utterly definitive on all aspects of the issue. We envisage that we will produce something that is fairly wide ranging, or at least as wide ranging and comprehensive as we can make it. It will be up to Government—and yourselves, no doubt—to take the process on from there.

Dr Elliot: Part of the report will highlight the areas that need to be looked at and how those issues should be taken forward.

Graeme Dey: Thank you.

Margaret McDougall (West Scotland) (Lab): Much of this morning's discussion has focused on communities, empowerment and ownership. How will you go about examining the current legislation? Have you already looked at it? You mentioned that the Law Society of Scotland will be one of your contacts.

Can you also give us more information on how you will look at the issue of attracting new entrants into farming?

Dr Elliot: With regard to the present legislation, the overview of the 2003 act's impact has been a helpful starting point for us. We are already picking up a lot of issues from our informal preliminary conversations, and there seems to be a wide consensus on where the difficulties are and where pressure needs to be applied in order to move forward. That includes the report that the previous Rural Affairs and Environment Committee produced, which indicated the areas that needed to be examined.

If you are asking whether we should draft the legislation, I suspect that we should not. I am conscious that we need advice from people who understand how to do that in relation to the proposals that we make. Part of our remit says that we have to come up with proposals that are sustainable and testable, so we will be putting them through the mill.

You asked about another issue—

Margaret McDougall: It was about how we attract new entrants into the farming industry.

Dr Elliot: Perhaps Jim Hunter has some ideas on that.

Professor Hunter: I will first go back to the current legislation. The review that the Scottish Government published at the same time as we were appointed, and the previous committee's investigations as well as other investigations, have highlighted some areas of concern in relation to the 2003 act in particular. Those do not relate so

much to the access provisions in section 1, as—although improvements can be made to anything—there seems generally to be a fair degree of satisfaction with those provisions.

There are particular issues with section 3 of the 2003 act, which gives crofting communities the right to purchase crofting land on a community basis. There is no doubt that the act created a climate of opinion that facilitated the transfer of some crofting—or essentially crofting—estates such as South Uist and Galson on Lewis to community ownership. Ultimately, however, that took place through a process of negotiation and with a willing seller. Some of the sellers have initially been less willing than others. There is no doubt that, as experience has shown in the case of the Park estate in Lewis, section 3 of the 2003 act does not seem to be capable of delivering—and is certainly not delivering in any reasonable timescale—what the Parliament intended when it passed the act.

The detailed provisions of the act on mapping and other requirements are such that some lawyers have said that they are arguably impossible to achieve. There are areas of concern, and we would seek to make some comment on them.

10:45

The issue of attracting new entrants into agriculture—whether as tenants or as owners—is a difficult one and it would be ludicrous to suggest that we are going to solve a problem that exists not only in Scotland but throughout the United Kingdom, Europe and beyond. We have an ageing farming population, very high land prices and a reducing number of tenancies. It is a difficult and intractable issue, although it is an important one to which we need to give some thought and on which we need to hear what people have to say.

We will look at the issue of new entrants and try to establish how land reform in the widest sense can contribute positively to making the situation a bit easier than it currently is. There are all sorts of difficulties because of the nature of agricultural support from Europe, the capitalisation of that in land values, and the high cost of entry to agriculture, all of which make it a difficult issue. It would be rash to say that we are going to solve it between now and the end of next year, but we will give it consideration.

Angus MacDonald (Falkirk East) (SNP): Good morning. The review group is at an early stage, and we look forward to having sight of your work plan and list of advisers as soon as you can release them.

Some prime examples of good practice have been mentioned, not the least of which is the

North Harris estate, where an agreement has resulted in the estate being community run while Amhuinnisuidhe castle continues as a stand-alone private enterprise. The two seem to be working quite harmoniously together. Other examples, such as Gigha, have been mentioned.

I was previously a member of the Economy, Energy and Tourism Committee, which recently oversaw the passage of the Land Registration etc (Scotland) Bill. As part of your remit, will you look at ways to encourage increased land registration? That is the purpose of the legislation.

I have one other question, on reporting back to the committee. How often do you expect to update the committee, and when can we expect further details?

Dr Elliot: We have not discussed land registration. There are other aspects of legislation, which are either current or have happened since the 2003 act, that we need to get our minds round. I have not done that so far, but it is on the agenda for us to dig into that.

We expect to come up with an interim report around Easter, in which we hope to make some proposals that could be implemented immediately instead of waiting until the end of the review. That will be an interim report. We also expect to come up with some thought pieces and writing at various points, and we can share those with the committee.

As it is an area in which everyone is anxious to hear what is going on, we do not want to set any hares running by suggesting that we are going to solve or address a particular problem. We want to allow our thinking to develop over the whole piece, given that it is such a large subject. We are a bit cautious of saying that our thinking is developing in any particular way but, in so far as we can say that and it is a reasonably honest way of proceeding, we are happy to be open with the committee about that.

The Convener: I have a general question on a subject that Professor Hunter has been involved in for a long while. I refer to the European convention on human rights, which is pertinent today given not only the article relating to the enjoyment of private property but the view that the state can

“enforce such laws as it deems necessary to control the use of property in accordance with the general interest”.

It seems that, in some cases, the question of the general interest is in the courts—as we know from a tenancy case. I wonder whether you and your legal advisers have had thoughts about how that general interest might be expressed in a more specific fashion in your overall workings.

Professor Hunter: The short answer is that we have not investigated that, but obviously we are

well aware that we need to give consideration to the issue.

I tend to take the view that the ECHR is not as insuperable a barrier to change in this area as is sometimes suggested, although I will hesitate and not say anything categorical until we have thought about it further. However, it is clearly the case that Government can limit the enjoyment of property in the public interest and that it does so all the time in all sorts of ways through planning constraint, environmental legislation and much else. The days when the owner of a piece of land could do whatever he or she liked with it are, for better or worse, long gone.

There is a lot of precedent in Scotland—admittedly, some of it antedates the ECHR, but not all of it does—that facilitates and seeks to bring about changes of ownership, and the rest, in the public interest. The ECHR should not be regarded as an insuperable obstacle, but the issue requires some detailed consideration, as you are well aware.

The Convener: Thank you. It is important to put on the record that we are dealing with fundamental issues relating to the legal status of ownership, tenancy and so on, and that they are some of the most important things that you will deal with in the whole process.

Claudia Beamish: Like other members who expressed concerns about the tenancy, I am reassured to hear that the land reform review group will have some focus on that very complex issue.

Following on from Margaret McDougall's question about new entrants to farming, I am interested more broadly in whether you have looked at how you will reach out to young people across Scotland in, for example, urban and the ex-mining areas. Those areas are quite deprived and there are a lot of isolated young people in them who are cut off from services and may not know how they might become more empowered. I have been a teacher and a youth worker, and I suspect that those young people would want to grasp opportunities if they knew that they were there for them. Will you comment on that, and do you have any young advisers in your midst?

Dr Elliot: I have had a conversation with people from Young Scot who are keen to get involved and find a way of engaging people across Scotland.

How young is “young” when it comes to advisers? We will have to wait and see.

Professor Hunter: One really encouraging thing that has happened in some of the localities that have gone into community ownership is that opportunities have opened up for younger people. For example, when Gigha went into community

ownership, there was nobody in their 20s, 30s or possibly even early 40s living on the island. Now, there are quite a few people in those age groups. The same is true of Knoydart.

That has happened largely because under the new ownership arrangements it has been possible for those folk to get business premises and, indeed, living accommodation, in a way that was not possible under the previous dispensation. That is positive in this context because I am well aware that, whether we are talking about rural development or any other kind of development, the key demographic is people in their 20s and 30s.

Of course, we have seen a lot of population movement. The population structure in rural Scotland today is entirely different from what it was in the past—and by the past I mean as recently as 40 or 50 years ago. The change has happened for all sorts of reasons, and it is a general phenomenon across the developed world. Social scientists refer to it as counterurbanisation, and it involves people moving out of towns and cities to live as commuters or second home owners, or to retire to the countryside.

That process is fine except that, particularly in the remoter parts of rural Scotland, such people tend to be older. Speaking as one who is well into his 60s, I do not mean that those people should be written off, but one of the absolutely fundamental issues with the development of rural communities is that we have to make it easier for younger people to find opportunities and somewhere to live, whether or not they have their roots in the communities.

There is a very basic problem in this context; no doubt we will consider it, and the committee has also looked at it. There is an undoubted lack of so-called affordable housing or indeed housing of any kind in many localities. At the back of that is an even more fundamental question of what society in Scotland, including the Scottish Government and Parliament, thinks about rural Scotland. What is it for? Is it ultimately somewhere nice where people from urban Scotland can go for a day out or have a holiday home or retirement home, or is it somewhere that can be dynamic and provide opportunities for people economically and otherwise? Needless to say, I tend towards the latter view rather than the former, but it is a very basic issue that underlies a lot of what we will consider during the next 18 months or so.

The Convener: It is a paradox. A lot of people want to live in the countryside but they do not want to do the dirty jobs, which can be very rewarding but require physical work.

Alex Fergusson: I have a two-part question but, if I may, I will start by saying that I sympathise

with Jim Hunter about people in their 60s. There is nothing wrong with us and we still have a lot to offer.

I am slightly concerned by what you said about new entrants, not because of what you said but because, as I am sure you know, a lot of other people are working on the problem, as is the case in some of the other areas that you will be looking at. What steps can you take to avoid duplication of effort in those areas? You obviously do not want to waste time, so how will you go about working with others who are already working in this field?

Secondly, the subject of Gigha has quite understandably come up a lot this morning. Jim Hunter referred to the fact that it required quite an input of public funding to get the project off the ground. Has any constriction been put on the amount of public funding that might be required as a result of the recommendations that you might make? Is that something that you will have to think about when you consider the recommendations you might make, or is the public purse an open book at this stage?

Dr Elliot: I do not think that the public purse is an open book. We are being asked to do some indicative economic analysis of the impact of our recommendations, and we will work to that.

What was the first question?

Alex Fergusson: It was on how we avoid duplication.

Dr Elliot: We will just keep trying to have 360° vision on that, but we would welcome comments from members of the committee. If you see an issue or process coming up in the Parliament that is relevant to our work, please alert us to it and introduce us to who is doing it, and we will work as closely as we can with them to avoid duplication.

11:00

Professor Hunter: I want to touch on the question of cost. You were right to say that money was invested in Gigha to bring about the change of ownership, but it is important not to exaggerate the cost.

Something like half a million acres have gone into community ownership in the Highlands and Islands since the Assynt buyout of 1992. The cost of bringing about that ownership change to the public purse and to the lottery—quite a lot has been lottery money instead of taxpayers' money—is the same as the cost of 600yd of the Edinburgh tramway. I am not suggesting for a moment that the money that has been spent on the tramway has been misspent, but it indicates that the cost of community ownership is sometimes exaggerated.

The cost of that 500,000 acres is also equivalent to the amount that goes to landowners and farmers in the UK by way of agricultural subsidy every two or three days, so one should not exaggerate the amount of public money that has been invested in the process so far. One should consider that amount, which in the greater scheme of things is not very substantial, against the tremendous benefits that have been secured because of the development of communities and the opportunities that have been opened up for them.

The Convener: I thank the witnesses for their evidence. We have had a useful scoping session that has opened up all sorts of possibilities for our co-operation with you and for us getting updates as we go along. I thank you for your contribution this morning.

11:02

Meeting suspended.

11:07

On resuming—

Woodland Expansion Advisory Group (Report)

The Convener: The final item on the agenda provides an opportunity for the committee to hear from the woodland expansion advisory group on its recently published report. I welcome our witnesses: David Howat and Jo Ellis, who are from Forestry Commission Scotland.

We have quite a lot of questions for you. You can give us your answers and if there is any need for any longer summing up we can perhaps leave that to the end.

We welcome the report. Can you give any reasons for there not being a more positive attitude to woodland creation in recent years?

David Howat (Forestry Commission Scotland): I will first explain that we both worked for the secretariat to the woodland expansion advisory group. Dr Andrew Barbour, who was the chair of the advisory group, is very sorry that he could not make it along, but unfortunately he had an unchangeable commitment this morning.

I will answer your question about the different attitudes to woodland creation over the years. I have been at it in Scotland since the mid-1980s and it has been interesting to see how things have fluctuated. When I started there tended to be quite a strong interest in the implications of new woodland creation proposals for agricultural land. However, there was a policy switch in the late 1980s when there were food surpluses and so on across Europe. The rhetoric at that point was about bringing trees down on to better land. It is interesting that at that stage quite a lot of concern about woodland expansion moved to issues of conservation and landscaping, which is obviously a cause célèbre up in the flow country.

Since then, to try to address that, a lot of work has been done on the consultation processes that we go through with new planting proposals on the public forest estate and grant-aided planting proposals, and on issues such as environmental impact assessment.

I guess that the work of the woodland expansion advisory group was precipitated in particular by the fact that agriculture has gone through a cycle again and there is now more concern about issues such as food security. That means that, once again, concern is being expressed in *The Scottish Farmer* and at meetings of farmers about the potential implications of woodland expansion for food production. That precipitated the work of the

group, although the group was broadly based so it took into account a wide range of land use interests.

The land use strategy picked up the concerns about woodland expansion. Proposal 7 of the strategy said that there should be closer identification of the types of land in Scotland that are suitable for woodland expansion and associated processes. In effect, that proposal in the strategy provided the brief for the woodland expansion advisory group, accepting that we cannot get quarts into pint pots and that it was a question of trying to do one's best to achieve integration.

The Convener: You have identified that the group took an inclusive approach and that it had to deal with diverse issues. Have you achieved a practical set of proposals that can be taken forward as soon as possible so that we achieve the extension of forestry and woodland planting?

David Howat: I ask Jo Ellis to explain how the group set about its work and the consultation process, because that might provide the answer.

Jo Ellis (Forestry Commission Scotland): A group of people were brought together to represent a wide range of interests. They were chosen because they had a practical interest in the issue. As to whether the recommendations will be practically useful, Dr Andrew Barbour would never have let anything be done that was not strongly grounded in reality and practically based.

The group had seven meetings. Although the members brought a huge amount of expertise to the group, they recognised that they needed further input from an even broader group of interests. Therefore, the group held a consultation exercise—in fact, it was a call for views. Rather than produce something and ask for responses, the group asked people to express their views and to highlight suggestions as to how it could proceed. That was well subscribed, with about 140 people and organisations sending responses.

The group then held a series of public meetings around the country, which were well attended. One positive aspect of those meetings was that people from all the interest groups that are associated with forestry, from farmers to environmentalists and foresters of all kinds, came together. The process illustrated how the issues are different in different parts of the country—the meetings had a different focus as we went from Oban to Inverness to Newtown St Boswell's.

The Convener: We will now explore some of the issues in more detail, starting with targets.

Alex Fergusson: The Government's original hoped-for target when it began to focus on forestry was for 25 per cent coverage of Scotland by 2050.

The group's report suggests that the target should be changed to 100,000 hectares to be planted by 2022. What effect will that have on the percentage of woodland? How does that target differ from the Government's 25 per cent target?

David Howat: In the short term, it is much the same. In other words, if we do the arithmetic and translate the aspiration of 25 per cent coverage by the second half of the century into an annual target, we get back to 10,000 hectares a year. Therefore, the target of 100,000 hectares over 10 years is consistent with that 25 per cent target. The important difference is that, rather than say that we have a long-term target of 25 per cent woodland cover, which, frankly, was frightening a lot of people, the group has advised that it is more sensible to look ahead 10 years and say that the target should be an average increase in woodland cover of 10,000 hectares a year for that period. It also recommended a further review in seven or eight years' time to look at the next 10 years. We should not be trying to plan too far ahead.

11:15

Alex Fergusson: Do your targets and proposals take into account harvesting figures, in particular the quite considerable woodland reduction that is happening because of, for example, wind farms? My understanding is that compensatory planting is not keeping up with that deforestation. If that has not been taken into account, what is the net increase that you are looking at?

David Howat: It is quite difficult to get absolutely accurate figures on woodland loss because they are partly associated with planning consents for wind farms and so on. However, we have done our best to bring the available information together and we think that over the past 10 years we have lost about 20,000 hectares or an average 2,000 hectares per year. Of course, those figures reflect an earlier era when fairly large areas of forest were cut down for wind farms; since then, the Government's policies to control woodland removal have been introduced and are starting to bite. You are right that we cannot yet point our fingers at any compensatory planting but I note that, in the beginning, wind farm engineers felt that the easiest thing to do was to deck everything to reduce wind turbulence for the turbines. Because of the control of woodland removal policies, they are now taking a lot more care to minimise the amount of woodland loss as a result of wind farm development.

Alex Fergusson: So your proposals and the figures that you have come up with do not assume a great deal of woodland loss.

David Howat: Exactly.

Alex Fergusson: Right.

Jo Ellis: Not all of the 20,000 hectares have been lost because of wind farms. About 30 or 40 per cent of that loss is down to habitat restoration—in other words, restoring open ground habitats from woodland.

Alex Fergusson: I appreciate that and thank you for the clarification.

Going back to your targets, I note the obvious requirement—and indeed a requirement from the timber industry—for a certain percentage of what is to be planted to be commercial in nature. What species have you recommended should be planted to cover that percentage of commercial planting and what should that percentage be?

David Howat: The Scottish forestry strategy and subsequent documents suggested that 60 per cent of planting be productive or commercial and 40 per cent what one might loosely call native woodland planting. In that respect, the group did two things, the first of which was to endorse that general approach. The reality, however, is that that is not happening on the ground; if anything, the percentages are the other way round—indeed, there is more of a gap—with something like 70 per cent native planting and 30 per cent productive or commercial planting.

Secondly, the group pointed out that it is not always helpful to have a clear, hard and fast distinction between commercial forest and native woodland and recognised, for example, that people should plant native woodland with an eye to producing timber at some stage. A classic example is native Scots pine woodlands where landowners have chosen to space stems at 2,000 per hectare in order to produce timber. We should also recognise that to ensure that we do not repeat past mistakes in so-called commercial planting we need well designed productive woodlands that not only produce timber but fit into the landscape, have biodiversity benefits and so forth. The group made it very clear that more work has to be done to get more productive woodland on the ground and that that should happen both through working with the industry and through ensuring that when we design the grant regimes for the next Scotland rural development programme we do our arithmetic so that there is no bias one way or the other.

Alex Fergusson: I think that we will come to the SRDP later on.

I know that the private sector has real concerns about the amount of commercial planting that is taking place, so I am delighted to hear that you hope to reverse the current trend. I think that the commercial to native ratio is about 20:80 at the moment. I come from the south-west of Scotland

and know that the timber industry's sustainability is important.

Finally, you mentioned the land use strategy. Assuming that the targets that you suggest are adopted and agreed, will any alteration of the land use strategy be required?

Jo Ellis: The land use strategy expresses fairly high-level objectives, and what we are saying is consistent with it. It does not go to the stage of allocating different land for different uses.

The Convener: I will ask about the background. Obviously, the private sector owns two thirds of our forests. It seems to me that, when there was a great burst of forest planting and growing, a quantity of it in the north was on land from which it is very difficult to harvest. Is there some of the forest footprint that will never be replanted?

David Howat: There are certainly issues in certain areas where we accept that there are good reasons not to restock. The classic example is areas of the flow country in which trees are being cut down and there is no restocking. We have a policy regime in place that can potentially use environmental impact assessments where the landowner wants to deforest. I admit that we are fairly tight on that, because with Scottish objectives and international commitments on sustainable forest management, we do not want a deforestation free-for-all.

There is another point about timber production in Scotland that I should have raised in answering Mr Fergusson's question. A new production forecast of softwood availability has just been published for Scotland, which shows that the potential timber for harvesting in Scotland will continue to be on the increase over the next 25 years. That is good news. That is potential softwood availability based on what is growing on the ground.

We will also need to look at access, which the convener raised. We have just put together a committee, which is chaired by our non-executive commissioner, Hamish Macleod of BSW Timber Group, to look at softwood availability and accessibility issues with members of the industry to take a view on what the real timber availability for industry is likely to be. However, as I said, the forecast looks pretty good.

The Convener: We will look forward to hearing about that.

Graeme Dey: The Woodland Trust and the Forestry Commission are engaging with the Ministry of Defence and local authorities to try to identify unused parcels of land that could be leased for tree planting. In my constituency, Royal Marines Condor recently entered into an arrangement with the Woodland Trust to plant

50,000 native trees across 95 acres as part of the diamond woods project, which will, I think, take in 20 locations across Scotland, all told. How successful are such efforts proving to be? To what extent might they contribute to hitting the targets? Will their contribution be over and above the targets?

David Howat: The short answer is that they all contribute to meeting the targets in an important way. You referred to Woodland Trust Scotland initiatives, but there are other initiatives—for example, by the Borders Forest Trust. In loose terms, we talk about publicly owned forests and private forests, but private forests include a wide range of different types of activity and increasingly include activities by communities and voluntary bodies.

Graeme Dey: What is your awareness of the responsiveness of the MOD and local authorities in general to such approaches?

David Howat: I have not had any contact with the MOD in Scotland, but I understand that more of the Woodland Trust work with the MOD is south of the border. However, I am not entirely sure about that—I may be wrong.

Quite a lot of good working with local authorities tends to go on. That is particularly relevant in the central Scotland green network area, although I am not saying that it does not happen in other parts of Scotland. In that area, we have 19 local authorities that are trying to create green networks across central Scotland.

In general policy terms, it is important that we work closely with local authorities on what is in local development plans and on individual projects. For example, the Forestry Commission recently leased from a local authority land that is in the Cuningar loop in the heart of Glasgow, so we will undertake a woodland restoration project there on former local authority land.

The Convener: I will finish the questions on targets. What involvement did the Scottish Government have in finalising the report?

David Howat: I am sorry, convener—perhaps I should have mentioned at the beginning that I hope that the Scottish Government will respond shortly to the group's report.

The Convener: Annabelle Ewing will pick up stakeholder buy-in and sectoral impacts.

Annabelle Ewing: A lot of work has gone into the report. The committee was aware that there were many views, which could be termed competing, about land use and forestation. You have managed to arrive at the report—all credit to you for that.

Given all the competing and diverse interests of those who were involved in the advisory group, I hope—and it would be useful to have it confirmed—that the report reflects the balanced conclusion of all parties involved, such that it provides at least in principle a way forward that brings everybody together. I hope that we can address the competing interests in a measured and balanced way, rather than going back to having constant discussions. I am interested in your views on that.

David Howat: As you can see, the group had a broad-ranging membership. It included the president of the National Farmers Union Scotland and representatives from the National Sheep Association and the forestry industry. All the group's members were happy to sign up to the report.

Some of the tensions to which you refer were reflected round the table at the group's early meetings. However, I think that Jo Ellis would agree that it was interesting to see how we managed to bring people together as the group did its work, although that is not shown in the printed words.

Jo Ellis: I agree absolutely. The group provided a great opportunity for people to have full and frank discussions and to air their views. It is positive that, at the end, we have produced a report to which everybody can sign up.

David Howat: We cannot pretend that, as a result of the work, we will have total sweetness and light on every planting application in the future, but we hope that we can put in place processes that will minimise some of the tensions that gave rise to the group's work.

Annabelle Ewing: It is interesting that you mention such tensions, because I was planning to ask about them next. Where do you expect tensions to arise? In your analysis of types of land for tree planting, the report says that, in the worst-case scenario, using some land could

"cause a 2% reduction in livestock numbers."

What can be done to address the tensions? If livestock land was reduced, that would be of concern to livestock farmers. Where do you see the process going? The report is just the start of the process, although it is important.

David Howat: That is absolutely right. As I said, there has been a cycle. Twenty or 30 years ago, people took the agricultural implications of woodland expansion seriously. However, because of food surpluses and all the rest of it, people moved on to worrying about conservation landscaping.

I hope that one outcome of the work will be that the agricultural implications of woodland

expansion proposals are again considered seriously. Wherever possible, we should look for win-wins on shelter and in the detailed decisions on the ground. When some agricultural production is to be lost, we should look to minimise that. That will be looked at in the detailed consideration of individual proposals.

11:30

At the more strategic level of, for example, local authorities' forest and woodland strategies, the group made a recommendation on sub-regional analysis. In making that recommendation—number 4—the group was trying to refine the current approach, which identifies in crude terms certain parts of different local authority areas as preferred for forestry expansion. That approach may be fine today, but if there is a lot of woodland expansion in those areas over the next three or four years, woodland cover of 22 per cent could suddenly rise to 25 per cent and people could see it possibly rising to 30 per cent. We want to set a threshold or limit for woodland expansion that recognises that there is a dynamic. Just because an area is preferred for woodland expansion does not mean that it should go from, say, 20 per cent woodland cover to 80 per cent.

Annabelle Ewing: That is helpful. The timber industry is obviously important for Scotland, but we must allow all industries to breathe and develop. The report states that, because of current issues,

“around 46% of Scotland's land is largely unavailable for woodland creation”.

Do you envisage the issues that preclude that land from being available changing at any point? Is there at least the possibility of changes to whatever the current obstacles are to using the huge tracts of land in Scotland that are unavailable in that regard?

David Howat: In some cases, it is straightforward unsuitability because the land is the top of a mountain or something like that. However, within the 60 per cent, about 20 per cent is the so-called designated areas, which Jo Ellis can speak about.

Jo Ellis: Annabelle Ewing referred to work that we did to underpin the group's considerations. The group wanted to ensure that it focused on areas that are most likely to have woodland expansion. It took out all the bits that are least likely to have woodland expansion, which is what the 46 per cent refers to. There are things that could change in that, such as the presumption against planting large areas of woodland on prime agricultural land, but most of that land will not be the focus of woodland expansion.

The next area that the group looked at comprises the 20 per cent of Scotland's land that is under various sorts of designation. The WEAG did not focus too much on that land and it was largely not in consideration, but Scottish Natural Heritage explained that there are significant opportunities in some areas of that designated land, particularly for native woodland creation and well-designed productive woodlands. So, even though our analysis excluded some two thirds of Scotland's land from our consideration, we accepted that there were still opportunities within that; it is just that that is not the main focus of woodland creation.

Annabelle Ewing: Thank you. Where does MOD land fall within this discussion? Is it part of the 46 per cent of Scottish land that is not available for woodland planting? Is it part of the designated 20 per cent?

Jo Ellis: The report was on land capability and constraints such as peat; it was not on ownership. We were not saying that the bit that has most potential can therefore have woodland all over it; it was just about what bit to focus on.

The Convener: We are now looking at integrated land use strategy and cross-cutting issues.

Graeme Dey: Jo Ellis referred to peat. How do we ensure that forestry dovetails or integrates with other land use demands such as peatland restoration, which has the potential to make a huge contribution to tackling emissions? How do we achieve the appropriate balance?

David Howat: We must first get the best scientific evidence. As trees grow they sequester carbon, but peat is an important carbon store. We have taken the best available advice from the scientists as to where the balance lies between planting on peat and not planting on it and leaving it as peat.

In crude terms, what we have come up with for new planting is what we call the 0.5m rule—in other words, if the peat depth is less than 0.5m, the land is potentially available for tree planting, whereas if the peat depth is greater than 0.5m, it is probably better left as peat. The situation becomes slightly more complicated when we are dealing with existing forests that have been planted on deep peat, because that involves considering the extent to which it is possible to restore the peat habitat or whether the damage has already been done. We are currently working on how to refine the guidance in relation to restocking.

The Convener: I note from a recent written answer that I got from the Minister for Environment and Climate Change on the amount of electricity production in the forest estate that

“some 402MW of wind and hydro capacity is already generating electricity, 429MW is under construction, 156MW has obtained planning consent but construction has not commenced yet while some 215MW capacity is in the planning system.”—[*Official Report, Written Answers*, 19 September 2012; S4W-09426.]

That makes up about twice as much capacity as is likely to be scoped in the future.

A different approach must now be being taken. I take it that thought is being given to making available rivers as well as keyhole areas of forestry for renewable energy schemes. Is it the case that a cross-cutting element of such schemes is that a lot of community benefit could come out of them, which is not mentioned by people who talk about wind farms being sited on forestry land?

David Howat: That is right, convener. At a very early stage in the work of the group, it asked about the potential loss of woodlands to wind farms. All the papers were put on the website, including a paper on that. For the reasons that we discussed earlier, a certain amount of woodland may be lost, but that will be dealt with, essentially, by compensatory planting.

Moving away from the work of the group to the Forestry Commission's approach to renewable energy development, you are quite right: there is a target of producing 2GW of electricity from the national forest estate by 2020. That covers wind and hydro development. We put a lot of effort into developing ways to provide community benefits from such developments on the national forest estate. Those benefits can be provided in three ways. We are saying to developers who do wind farms or hydro schemes that, at the very least, they must offer a community benefit of £5,000 per megawatt. For a 20MW scheme, that translates to £100,000 a year, which is a not inconsiderable amount.

In addition, an option is being built in to require developers to provide communities with a shareholding in their developments, if they want it. At the same time, in areas that are not being used by developers, we are using the national forest land scheme to open up the national forest estate to communities that are interested in taking forward hydro or wind schemes—it often tends to be hydro schemes that they want to do. Communities can come to us and take forward a community scheme.

A few days ago, I was at a meeting with the Scottish Council for Voluntary Organisations and Community Energy Scotland, at which we thrashed through some of the issues to do with how we set a fair rent for communities. On one hand, we want to encourage the community endeavour but, on the other hand, under Scottish public finance rules and all the rest of it, we need to ensure that we get fair value for the taxpayer.

We are working through those issues with community bodies to ensure that we can have a streamlined approach for communities that want to develop projects on the national forest estate.

The Convener: We would certainly like to hear more about that in due course, as it develops.

The next question will come from Margaret McDougall—pardon me; it will come from Angus MacDonald. I cannot read my own writing.

Angus MacDonald: Thank you, convener. My question is, I hope, worth waiting for.

The report proposes better involvement of local stakeholders through regional forestry forums. As we know, we already have a multitude of regional bodies such as area advisory groups for water management and regional project assessment committees for the Scotland rural development programme. How do you see those regional bodies best working together? Would it not be better, from the point of view of decluttering the area, if they were combined with the proposed regional forestry forums?

David Howat: We are always open to suggestions for streamlining. At the moment, the regional forestry forums have a very different job from the RPACs in that the RPACs have a narrow remit under the Scotland rural development programme to make decisions on which projects to give money to under the rural priorities. The regional forestry forums have evolved out of what we used to run, which were called regional advisory committees, and typically meet three or four times a year according to the five regions into which we divide Scotland. They include people from a wide range of backgrounds including communities, local authorities and environmental organisations. The group suggests that there should be strong agricultural representation on the forums as well.

The commission has always found the advice that it gets from the regional forestry forums or regional advisory committees incredibly useful as a local sounding board on issues. I was with the Highland forum up in the far north in August, and it talked about woodland expansion and the effect on agricultural land in Caithness. The south-west Scotland forum may be discussing water issues. We find it incredibly useful to get advice from the experts on the regional forestry forums. However, as you say, if there were a better, more joined-up way to provide that advice, we would be open to it.

Angus MacDonald: In the meantime, you would advocate the retention of stand-alone regional forestry forums.

David Howat: Yes.

Angus MacDonald: Thank you.

Margaret McDougall: Good morning. The report recognises that there are a number of cross-cutting areas in which improvements might be realised through increasing woodland cover—for example, biodiversity, climate change and water quality. To what extent do you expect woodland planting to 2022 to contribute to other environmental targets?

Jo Ellis: We are doing some interesting work on the water environment by targeting woodland creation where there are real opportunities to make a difference to diffuse pollution. We are targeting woodland creation to the specific areas where it can make a difference. Even the 100,000 hectares of woodland expansion between now and 2022 can make a huge difference if it is targeted at the right places and done in the right way with the right kind of woodlands.

Margaret McDougall: Has that been modelled and quantified?

Jo Ellis: On the water environment, we are looking at the Tay catchment and mapping the areas where woodland creation can make the most difference. That is a pilot and it is moving further. We also have maps of forest habitat networks, which show where it would be best for us to create native woodlands to expand and connect existing native woodlands to make the biggest difference. If we create the right woodland in the right place, even a small area can make a big difference. We are trying to ensure that the woodland goes in the right places and makes a big difference.

Claudia Beamish: Good morning to you both. My question is for Jo Ellis. In your capacity as the land use and climate change policy officer for the Forestry Commission Scotland, can you comment on recommendation 16 and the carbon calculator? How could that be used? There are often quite a lot of challenges for laypeople in trying to quantify the carbon footprint associated with farming or schools, for instance.

Jo Ellis: There was quite a lot of stakeholder comment and comment in the group that the carbon argument is starting to turn farmers on to woodland creation, and they are starting to see it as something that can help their holding's carbon footprint. Initiatives such as the farming for a better climate initiative are bringing that kind of thing to the fore and helping farmers to realise how they can reduce their carbon impact.

The group felt that people need to know what difference woodland planting will make to their carbon footprint, and a carbon calculator is a way to find that out. Some carbon calculators have been developed for English situations and are being trialled in England, and the woodland carbon code is being used to calculate the carbon benefits

of woodland creation. The challenge now is to ensure that we can bring together those ideas to produce a carbon calculator that anyone can use to see what difference the woodland will make to their holding's carbon balance.

11:45

Claudia Beamish: Thank you, that is helpful. I will ask you more broadly about resilience to climate change and to the pests that affect trees. I heard last week of a new disease that has prompted serious concerns in relation to pine forests. Can you comment on those issues?

Jo Ellis: The woodland expansion advisory group recognises that we need to design new planting to be resilient to future changes, and pests and diseases are a huge part of that. The Forestry Commission is looking at ways of communicating the need to diversify the types of trees that are planted, and the need for people to plan their forestry to be suitable not only for conditions now but for possible conditions in the future by choosing species that will last.

We have larger programmes that are looking at rapid responses to pests and diseases; David Howat may want to say more about those.

David Howat: We have serious concerns at present about a number of pests and diseases. For example, dothistroma—or red band needle blight—is attacking pine trees such as the lodgepole pine and the Corsican pine. There are worries about the possible impact on native pine, and one or two such outbreaks have been confirmed. *Phytophthora ramorum* is attacking larch trees, rhododendron, blaeberry and so on, largely in the south-west and Argyllshire.

We have just had the first confirmed outbreak in Scotland of ash dieback on some new planting just to the south of the Kilpatrick hills. We have serious concerns, which are associated partly with climate change and partly with—people are fairly clear about this—the development of the single European market and the increased trade in plant material. For example—although this was news to me—seed of ash is collected in Britain, taken to the continent to be grown in nurseries and then brought back to Britain as seedlings, which provides another pathway for the introduction of pests and diseases. That is an extremely high priority for us and we are working with researchers to ensure that we take a joined-up approach in the Scottish Government to do all that we can to tackle those problems.

The Convener: I was hoping that Claudia Beamish was going to spell out what that pine needle disease was called, but I am sure that the *Official Report* will do so.

Claudia Beamish: I could not possibly come up with the Latin spelling.

The Convener: Margaret McDougall will kick off our questions on funding issues.

Margaret McDougall: As we all know, the CAP is being reviewed. The woodland expansion advisory group recommends that forestry should be included in the greening measures of the new CAP and that annual payments should be retained when farmers convert land to forestry. How can annual payments to some converted agricultural land be justified if they will not be continued for existing forestry that requires on-going management?

David Howat: At present, the payments for woodland grants fall into two categories. There are woodland creation grants, which are payments for the planting of trees and initial maintenance such as weeding operations to ensure that the trees grow. Slightly separate from that are the annual payments that are made to farmers under what is called the farmland premium to compensate them for the loss of agricultural income. If a farmer plants woodland on a piece of land, there are costs involved in planting and looking after that woodland, and they are not getting any agricultural production from the land.

The idea of the annual payments is to provide an element of compensation for the loss of agricultural value from the land, and the advisory group's rationale was to ensure that those annual payments are maintained in the future. The annual payments have been around for 20 years or more, but the current draft of the European rural development regulation suggests that they should be dropped. The group recommends that whatever can be done to persuade Europe to keep the provision for the payments in future should be done.

Margaret McDougall: How can forestry be integrated into CAP greening measures?

David Howat: This relates to pillar 1 of CAP's two pillars. At the moment, we have rules for good agricultural and environmental condition and other measures for what is called cross-compliance. As you know, there has been a lot of discussion about the greening of pillar 1 but the group felt that it would make sense to recognise the value of, say, hedgerow trees in a good agricultural and environmental condition requirement. It was very keen that forestry should not be seen solely in narrow terms; indeed, it wanted the full spectrum from hedgerow trees to large-scale forests to be considered and, in this case, it was merely seeking some relatively small-scale tree opportunities with regard to pillar 1 greening.

Graeme Dey: If a farmer decided to give over 7 per cent of a field to a small woodland to provide

shelter for livestock, should that be counted as part of the greening?

David Howat: It would make sense in terms of achieving forestry policy objectives. I realise that an awful lot of wider political issues are involved in the greening of CAP but, to answer your narrow question in a narrow forestry sense, I think that such a move would be quite good news.

Alex Fergusson: I point out that some of us think that greening should come under pillar 2, not pillar 1, but I accept that that is a wider debate and not for this occasion.

The committee has spent a great deal of time examining CAP reform—after all, it will be crucial, particularly with regard to the new SRDP—and will be examining it even more. A real concern relates to the fact, now accepted by most people, that agreement by 2014 is unlikely, and we are now having to think about what will happen in 2014 and 2015. Given that there is nothing left in the SRDP budget for woodland planting, which means that new SRDP-supported plantings are already in hiatus, what representations has the advisory group been able to make on the importance of having a bridging arrangement in place if there is no agreement in 2014?

David Howat: As you have suggested, the group was very keen to ensure that whatever could be done about the transition between the current SRDP and the next should be done. Indeed, one important recommendation was that the planning grant be continued because if, as a result of European things and other issues outwith our control, we find ourselves with a gap we want to avoid the position we found ourselves in at the beginning of the current SRDP when we had to go back to base level. If that happens, the whole thing grinds to a halt and the machinery has to be cranked up again to get woodland creation going.

It would be good to use mechanisms such as the planning grant to encourage people to carry on preparing proposals for schemes. Even though they will not be 100 per cent sure what will be in the next SRDP, they can be at least reasonably confident that it will contain forestry measures and encouraging them to keep on preparing schemes will ensure that in January 2015, or whenever the next SRDP opens, we are not back at square one but have a pile of reasonably well-worked-out applications that can go into the system fairly quickly.

Alex Fergusson: Do you have evidence that people are looking at all that? Moreover, is the continuation of the current SRDP into the new one a satisfactory move for forestry or do we need to take a different look at how the programme encourages woodland planting if we are to meet the targets that you have set?

David Howat: We had a big hiatus between the closing of the Scottish forestry grants scheme and the SRDP, which was a big change. Clearly, some things can be improved in the SRDP, in terms of the administrative process and the grant rates issue that we spoke about earlier. The next SRDP gives us the opportunity to improve those things.

Personally, I think that rather than tearing up the SRDP and trying to start again, we should build on what we have. Hopefully, by building on what we have we can maintain some continuity so that we do not have the same hiatus as last time.

Alex Fergusson: I absolutely agree with what you say, but the time to be negotiating for all that is now, rather than waiting until we are presented with something. Is that discussion taking place? I am not asking you to give away any secrets, although please feel free to do so if you want to.

David Howat: Yes, that discussion is taking place.

Alex Fergusson: That is a comfort; thank you.

Richard Lyle: The report is wide ranging and has 24 recommendations. I will pick out only some of them, the convener will be happy to hear. To start with, I was interested in the statement under the "Context" heading:

"There is a deep cultural divide between forestry and farming".

Can we ever resolve that divide?

David Howat: "Ever" is a big word. We can take steps to try and break down that divide. One of the report's recommendations was to do more in the area of higher and further education. One of the reflections of that historical divide between forestry and agriculture is that we have the likes of the Scottish Agricultural College and we have the University of Edinburgh, where I did forestry—the agricultural students were 200yd up the road from us and we hardly ever saw them, apart from for social reasons.

Work can be done to take advantage of the opportunity that is provided by the merger of the SAC with the other land-based colleges. We can see what we can do to encourage the development of more integrated courses—for example, students who are essentially agricultural students could learn more about forestry and the opportunities for woodlands on farms. One of the group's clear recommendations was that we should be using such opportunities to help break down those barriers.

Richard Lyle: The report also said:

"Those who want to plant woodlands feel that 'the system' is not helping them to achieve this."

Recommendation 3 in the report is about the types of land for tree planting. We all drive around this

country and see fields lying empty or disused land or land that is unused because a building has been knocked down. Should we try to develop more planting around areas of towns and along strips, or even along motorways, in order to increase our woodland planting?

David Howat: Yes. An important priority in the work of the central Scotland green network is to see what can be done on vacant and derelict land, for example, and on other areas in and around towns. The Forestry Commission has been running the woodlands in and around towns initiative for four or five years. The idea of that is to do exactly what you describe—to look for opportunities to create areas of woodland, often quite small, in and around towns. They are small, but critically they are near where people live, so rather than having nice woodlands 200 miles away, people have nice woodlands within 10 minutes' walking distance.

Interestingly, a piece of work has just been commissioned by the NHS national institute for health research, which is doing objective, evidence-based monitoring of the psychological benefits of having those woods in and around towns.

Richard Lyle: If the convener will bear with me, I have another question. Recommendation 7 is about grant rates. Do planters or businessmen or estates still get tax breaks with regard to the planting of new woods?

David Howat: In general terms, that was done away with in 1988. There are still certain wrinkles with the tax system, for example in relation to inheritance tax relief for commercial woodlands and things like that, so I would not say that there is no tax interaction. However, what hit the headlines with the flow country and so on came to an end in 1988.

Richard Lyle: Finally, with regard to recommendations 16 and 17, which I find very interesting, there is the idea of a carbon calculator. Recommendation 16 states:

"Forestry Commission Scotland should produce a simple to use 'carbon ready-reckoner' which allows land managers to identify whether – and by how much – woodland creation could help to reduce their land management carbon footprint."

Is that work under way?

The Convener: Did we perhaps hear that question earlier?

Richard Lyle: I know that I am touching on some of the previous points, but I wanted to emphasise that question.

David Howat: We will build on work that is already under way to do that.

The Convener: Annabelle Ewing has a final tidying-up question.

Annabelle Ewing: I want to return to the SRDP and the objectives stated in the report to encourage greater integration between woodland planting and farming interests. You state in the discussion of recommendation 10 that

“Single Farm Payment eligibility criteria for grazed woodland should also be changed to help achieve”

greater integration, and that

“Forestry Commission Scotland should ensure that suitable technical guidance and support is available”

to that end. What do you have concretely in mind, with respect to such support? Is it the case that support is currently available? If it is not and something new is needed, what will it be? If it is currently available, what will be different about it, going forward?

12:00

David Howat: In essence, the problem is one that Andrew Barbour—the group’s chair—had a particular case of on his own farm. He had some woodland that he wanted to use for grazing, as it would have made good sheltered grazing for his cattle. In crude terms, you could say that the rules say that land is either in agricultural or forestry use. Using the woodland for the agricultural purpose of sheltered grazing would have made sense, but he was worried that he would lose the agricultural grants for the land. There is quite a complicated interaction between agricultural grants and forestry grants that the group is keen to try to sort out.

Annabelle Ewing: Do you think that that has been officially pinpointed as an issue and therefore do you hope that—particularly looking at the operation of the SRDP—it will be a key element in trying to find a solution?

David Howat: Yes. It comes back to what we talked about earlier about breaking down the barriers between agriculture and forestry. The group basically wants to make the rules friendlier for those who want to take sensible, integrated approaches. If someone has a little bit of open woodland and it would make sense to use it for grazing, we would like there not to be a grant regime that gets in the way of that.

The Convener: That suitably takes us round quite a lot of the issues that have been raised today. We are very pleased to have been able to look at the WEAG’s report and we will try to get some updates on it in due course. I thank the witnesses for their evidence this morning—it has probably educated a lot of us a good deal.

The committee’s next meeting is on 3 October, when we will take round-table evidence from stakeholders on the budget and receive a private informal briefing from Marine Scotland.

Meeting closed at 12:03.

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