# Cross-Party Group on Crofting

10 January 2024

## Minutes

## Present

### **MSPs**

Rhoda Grant MSP (Chair) Alasdair Allan MSP Ariane Burgess MSP Donald Cameron MSP Beatrice Wishart MSP

#### **Invited guests**

John Armour Gary Campbell Michael Nugent

### **Non-MSP Group Members**

Donna Smith (Secretariat) David Cameron Philip Coghill Maria de la Torre **Bill Dundas** Michael Foxley Miranda Geelhoed **Claire Hardy** Johnathan Hedges Lynne Hendry Lisa Hislop Andew Holt Iona Hyde Brian Inkster lain Kennedy Phil Knott Donald Mackinnon Lynne MacMillan **Fiona Mandeville** Malcolm Mathieson Jackie McCreery Alasdair Macnab **Beatrice Morrice** 

#### Apologies

Edward Mountain MSP Jamie McIntyre Steven Thomson Andew Moxey David Muir Donald Murdie Sandy Murray Aileen Rore Eilidh Ross Russell Smith Susi Stuehlinger Janette Sutherland Andrew Thin Yvonne White John Macleod Simon Ritchie Helen O'Keefe

# Agenda item 1

### Welcome and apologies

The convener welcomed everyone to the meeting and apologies were noted.

## Agenda item 2

#### Agreement of the minutes of the last meeting

SG had raised some issues regarding the format of the minutes.

Convener to discuss these with the Secretariat and the minutes will be returned for approval at the next meeting.

## Agenda item 3

### AGM

The AGM of the Cross Party group was held.

- Alasdair Allan, Rhoda Grant, Edward Mountain and Beatrice Wishart were re-elected as co-chairs
- SCF were appointed as secretariat for the cross-party group

## Agenda item 4

John Armour (Scottish Government, Head of Livestock Production Policy) gave an update on proposals relating to calving efficiencies.

Main points included:

- SG has announced the introduction of a calving interval conditionality to the SSBS coupled support scheme to help contribute to its climate mitigation targets in the agricultural sector.
- Steven Thomson (SRUC) was commissioned to produce a report on the Scottish beef herd calving intervals which concluded that, while it is difficult to predict the emission reduction of an individual calving interval, each five day improvement in the national calving interval would result in a reduction of 12.5 Kt CO2 equivalent or 1.25% of overall beef herd emissions.
- SG consulted a range of stakeholders from June 2023 onwards to discuss the proposed policy reform. Yet, the final details of the reform are still under consideration and more details will be announced in the coming months.

### Discussion

Comment: Crofters have concerns that a 'one size fits all' approach to calving interval conditionality will seriously disadvantage extensive livestock systems in the Highlands and Islands.

Response: The research conducted indicates a clear difference between smaller and larger units. NFUS has suggested a variant that would see a split-payment system with a base payment and a top-up which might be a thing to consider. At the moment, however, it is not possible to comment on the exact modalities or on timescales for a final decision.

Question: There are particular challenges related to the fact that crofters often rely on a hired bull (vie the SG bull hire scheme or privately) and that they therefore have limited control over the availability of a bull and over the risk of infertility. A small herd derogation from the calving condition could mitigate against this and it was asked whether SG has given any consideration to this?

Response: Rather than the total herd size, the size of the claims would be a more sensible approach to start this discussion and that this option presently is not being ruled out, however, a split-payment approach das detailed above could reduce the need for a small herd derogation.

Question: Has SG given any consideration to the carbon input that varies depending on livestock system when calculating the Scottish beef herd's carbon emissions?

Response: Reassured that the report of Steven Thomson will certainly have taken these aspects into consideration.

Question: Has SG made any consideration of the interaction with the SG's bull hire scheme given that crofters should not be penalised if there was a problem with the bull that the government had provided?

Response: SG is aware that the bull hire scheme needs to be considered in this respect and that input there is welcomed. It is important to contextualise the conditionality on SSBS within the wider agricultural policy reform agenda and its priorities to support rural communities, enhance biodiversity, and achieve net-zero.

Comment: There is concern over the future economic viability of cattle farming in the Highlands and Islands region which is a significant economic factor, but operates differently from other regions of Scotland due to very different conditions in regard to soil and climate.

Response: The importance of the local economy is acknowledged and a reduction of the numbers of eligible calves would not necessarily result in a reduction of funding given that the overall amount will be split between the eligible calves.

# Agenda item 5

## Update on the National Goose Management review.

David Muir highlighted that the policy review submitted to SG has not yet been approved and crofters are still waiting for the ministers to approve the review. In the meantime, geese continue to have detrimental impacts on the grassland that crofters depend on for grazing livestock at this time of the year.

# Agenda item 6

**Gary Campbell (new Crofting Commission CEO)** introduced himself and his initial priorities for the work of the Commission.

Main points included:

- Delighted to be appointed to his role and thanked everybody for the warm welcome and to Bill Baron for the work he has done during his time in office and for the smooth handover.
- Initially, see his role as listening and speaking to as many people as possible with an interest in crofting.
- Work is underway in terms of mapping application processes to the commission and finding ways to become more efficient in the future.
- Keen to build on the good relationship with the SCF to work together for the benefit of crofting, crofters and the crofting counties, to show the value of crofting as a way of life, but also as a system of land regulation to support and maintain communities in remote rural areas that has endured over 138 years.

## Discussion

Question: There is a lot of concern about owner-occupied crofts, what is the Crofting Commission planning to do to address these?

Response: As chief executive and accountable officer of a regulatory body, I will apply the regulations as they stand to all the crofts regulated under the system, whether owner-occupied or under crofting tenure. The CC can only regulate within the competences that legislation provides and if there is need to change this regulation, this would need to take place using the legislative process. If this is something that people in the crofting counties think should be looked into, they are asked to get in touch, either with myself or via the normal channel through to Scottish government. I do sympathise with the concerns and encourage people to raise this matter in the context of crofting law reform.

# Agenda item 7

**Michael Nugent (Scottish Government – Crofting policy and Legislation)** gave an update on crofting law reform.

Main points included:

- The crofting bill group and it has made great progress and Michael Nugent would like to thank all its members for their time commitment. In its last meeting on November 9<sup>th</sup>, the crofting bill group agreed on five of the six proposals discussed, which means that the group has now agreed 37 of the 50 proposals and of the 13 proposals outstanding nine are already under discussion with the group.
- One of these proposals would make provision for crofter led projects and landlord collaboration/joint ventures for carbon sequestration, habitat restoration and biodiversity enhancement. This provision, similar to the existing forestry provision, would enable crofters to enter into a written agreement with the owner of the common grazings to engage in a joint venture. Such an agreement could deal with how the landlord and the crofters would share the commercial value of such projects. This would enable more crofter-led projects such as peatland restoration. It would not compel crofters in any way, but it would facilitate and provide a legal mechanism for crofters and landlords who want to take forward that kind of project and share in any commercialisation of carbon credits associated with it.
- Crofting law reform is planned to be consulted upon around springtime this year, although no fixed date has been set yet and any decision on this will be subject to SG's other legislative priorities. Consultation will be subject to a standard consultation period of three months, and the crofting bill team will be holding a number of events in venues throughout the crofting counties.

## Discussion

Regarding the joint ventures on carbon and natural capital, it was asked whether crofters and landlords will have equal rights to carbon and the value thereof. This is an area that is completely unregulated at the moment, nothing in crofting law mentions carbon. As a de-facto position, crofters and landlords are already entering into arrangements on a 50:50 basis as this is what happens in cases of resumptions and schemes for development on croft land and common grazings. It was highlighted that, given that crofters are often doing all the work of peatland restoration, and are taking all the risk and dealing all the disadvantages, it should not be readily assumed that the landlord gets 50% and that carbon markets generate revenues over time and it is unclear how this should be handled. It was also asked whether such a split would include all crofters in an area or only active crofters given the problem of absentee crofters.

Comment: NFUS advises their members not to get involved in any markets until those are regulated and UK-wide standards are set. Other markets (such as biodiversity and nature credits) are currently in development. There could be issues arise when things go wrong, for example when the carbon stored disappeared, or through a fire, and the problem where the liabilities would lie in that case. NFUS is presently conducting meetings with NatureScot and is happy to share the outcome of those.

Comment: The prospect of any future legislation risks the creation of a rush for landlords to get projects over the line before the legislation kicks in, so it might be good to consider some kind of retroactive provision in there to prevent this rush.

Response: The details of the mechanism still would need to be determined and I will feed the comments received back to the crofting bill group. However, there is only a limited scope for what crofting law can do and deliver in this respect: Carbon trading is still very much an unregulated market and the crofting bill will not be able to change this in principle. What the crofting bill can do is giving crofters and landlords a mechanism to enter into an agreement which then will be approved by the Crofting Commission but only for the purpose of ensuring that successive crofters and landlords are bound by this agreement.

## Agenda item 8

### Any other business

### Donald MacKinnon, representing the Outer Hebrides Local Action Group

mentioned the research recently launched project led by Steven Thomson which is looking into the impacts of different options of future agricultural support in Orkney, Shetland and the Western Isles. Everyone interested should reach out to their respective SAC consulting office. This is a good and timely opportunity to feed into the policy process which will contribute to determining the future of agriculture in the respective areas. And while the research is restricted to the areas mentioned, the model may be workable for other islands, too and as such could inform island impact assessments for future agricultural policy and it might also cover aspects that equally affect mainland crofting situations, for example in relation to common grazings.

Andrew Moxey reiterated that the research team is very keen to hear from people on the ground. While the project is looking into data that SG already collects, the other important strand of the research project is to hear from people on the ground about what challenges they might encounter with new policies such as the calving interval conditionality talked about earlier this evening. There was a request to hold future online cross-party group meetings on zoom rather than teams because of connectivity issues for some.

Action: The conveners and secretariat will look into this.

# Agenda item 9

## Date of next meeting

5 March 2024 - online