

**CROSS-PARTY GROUP on CROFTING**

**Meeting 9 of Parliamentary Session 5**

**Scottish Parliament, room Q.1.03**

**Wednesday 13 September 2017 at 17.30**

**MINUTES**

**Present:**

Rhoda Grant MSP <sup>i</sup> (Convener)	Michael Nugent SG
Tavish Scott MSP (Convener)	Allan MacLeod BBC
Patrick Krause SCF (Secretary)	Eleanor Garty WTS
Stephen Sandham SG	Sheena Howden Lantra
John Finnie MSP	Donald MacKinnon SCFYC
Brian Inkster CLG	Irianna Vlachopoulou JHI
Martin Corbett RoS	Ross McLaren SCRG
Donna Smith CC	Robbie Bain HC
Neil Ross HIE	Kate Forbes MSP
Sandy Murray NFUS	Lee-Ann Sutherland JHI
Lucy Sumsion NFUS	Kate Fry office of Rhoda Grant MSP
Russell Smith SCF	Maree Todd MSP
Gordon Jackson SG	

**1. Welcome and Apologies**

The convener welcomed everyone. Apologies were received from:

Fiona Mandeville SCF; Brendan O'Hanrahan SCF/AF; Bill Barron CC; Rod Mackenzie CC; Michael O'Neil SG; Maria Scholten SCF; Robin Haig SCFYC; Padruig Morrison SCFYC; Wendy Kenyan SPICe; Jim McPherson SCF; Rosemary Champion SS; Jean Urquhart Observer; Angus MacDonald MSP; Jamie McIntyre WCP; Edward Mountain MSP; Billy Neilson CC; Donald Cameron MSP; Graeme Day MSP; Emma Harper MSP; Gail Ross MSP; David Stuart MSP; Siobhan MacDonald SAC; Janette Sutherland SAC; Murdo MacKay CnES; George Farlow HC; Mark Shucksmith NISR; David Atkinson SCRG; Jamie McGrigor Observer; Donald E Meek crofter; Fiona MacKenzie UHI.

**2. Minutes of previous meeting**

The minutes of the previous meeting on 28 June were agreed.

**3. Matters Arising**

Action under item 3: All local RPID offices need to be notified that dilapidated fences can be replaced under CAGS: all offices notified.

Action under item 5: SG to look into use of CAGS for woodland crofts: CAGS definition was amended in 2015 to include small agricultural holdings; to include woodland crofts the regulation, and SRDP, would have to be amended again. This is not likely so close to the end of the CAP. There are other grants available for woodland.

Comment: Other crofters, not just woodland crofters, have problems getting grants for trees, shelter belts and timber processing.

Question: Could amendments be made this autumn?

Answer: Yes

**Action: Michael N will investigate grants available for small-scale woodland, shelterbelts, timber processing and report back at next meeting.**

Actions under item 8.1: "Letter from group to Roseanna Cunningham (Cab Sec for Environment) requesting clarification on SG intentions for goose control": Letter sent. "Letter from group to Humza Yousaf (Minister for Transport and the Islands) on ferry freight and RET": Letter prepared and distributed for comment.

Action under item 8.2: "Does the recently announced National Council of Rural Advisors have a crofting representative?:" No, there are no representatives for crofting. Letters were sent to Cabinet Secretary Fergus Ewing and his reply indicates that he has selected members and is confident they are sufficient.

Action under item 7: "The report on the 'redistribution' of payments under this phase of CAP has been prepared and ministers will see it first before it is released. It will then go to the ARD stakeholder group on 30 August. It will also be available at the next CPGoC": It was not available yet.

**Action: Gordon J will ensure that the report is available for the next meeting.**

It was agreed that item 6 could be brought forward.

## **6. Crofting Support**

Stephen Sandham, SG, gave an update on CAP.

A CAP stabilisation plan has been launched, the key points include:

- A loan scheme for BPS to ensure November payments;
- LFASS payment and loan before May;
- IT – help will be provided to get customers on-line;
- Improvements to customer experience.

**Action: Sec to circulate links to stabilisation plan and key dates.**

Achievement to date: SG paid 97% of LFASS 2015, including 1100 during July and August and are on track to start LFASS 2016 in September, as set out in the payment schedule published alongside the CAP Stabilization plan. SG have paid over 99% of BPS and Greening 2016 payments, and have started AECS and FGS payments.

*Discussion:*

Question: Are there plans to send out paper copies of these documents to producers?

Answer: We could not justify the cost of that. Anyone can go into their local office to get a copy there, or help with getting on-line, and libraries and other public venues provide further opportunities to view these documents on-line. Our aim is to support as many customers as possible to submit their SAF on-line in future, building from the 78% who submitted on-line in 2017.

Question: People don't know what they are getting or for what; when will letters be sent that detail payments?

Answer: Letters are going out but they have been delayed due to the IT system.

Question: People are getting penalties but are not notified of how much. This is unacceptable – how can you plan your cash-flow if you don't know what the penalty is? Can they still appeal?

Answer: Yes, the 60 day appeal period stands from when the letter is on-line.

Comment: but people don't know when it is on-line except by checking every day.

Question: Why are SG still issuing loans when surely it should be payment by now? Will it always be a loan?

Answer: It is difficult to catch up as the cycle keeps going even though the IT was delayed; but it will get back on track. We need to encourage people to take up the loan – it can be considered an advance payment, though we cannot call it this as the term has an EC meaning.

Question: What is the situation with LFASS?

Answer: Cabinet Secretary is going to implement the 'parachute payment' of 80%.

Question: what about the other 20%? It was proposed that it would be kept for crofting and/or remote areas support. Will this be so?

Answer: It will be kept within existing SRDP but it isn't certain exactly where yet. This will be reported on in the next meeting.

**Action: SG to report on the LFASS 20% at the next meeting.**

Question: What is the minimum stocking density that constitutes activity and what livestock can this comprise of?

Answer: Please send RPID the detail of the query and it will be answered.

**Action: Sec to pass on the query to RPID.**

Michael Nugent, SG, gave an update on croft-specific schemes:

#### **Croft House Grant Scheme:**

2017/18 Budget of 2m. June tranche – 16 of 20 applications approved. 80% approval rate for eligible applications. £519,030 worth of grant funding approved.

September tranche – 22 applications received – currently being processed.

#### **Crofting Agricultural Grant Scheme:**

Michael confirmed that the indicative 2017/18 budget remained at £2m p/a, and that the budget would be kept under review – as is done with all schemes. The reduced Programme budget was due to the loss of SG funds from earlier years in the Programme. Take-up was lower than forecasted.

From January 2017 to 31 August – 559 applications, 461 approved, value of £2.16m. Of these: 300 have been paid with a value of £1.3m.

The 2016 figures were: 700 applications, 614 approved, value of £2.7m. Of these: 290 paid with a value of £1.03m.

Question: There have been complaints that payments are delayed – causing great difficulties with cash-flow. What's the problem?

Answer: 71% of payments are made within 90 days; it should be higher. SG have taken on extra capacity in Edinburgh so it should improve.

#### **4. Crofting Development**

Donna Smith, Dep. CEO CC, gave an update on progress made on the paper being prepared by the SGCSF for ministers in relation to the National Development Plan for Crofting.

The stakeholder group initially identified five key priority areas which would deliver the vision for crofting of Living, Working, Growing, Together; however as a result of the difficulties highlighted during 2016, a sixth - 'common grazings' - was added. A paper has been written on each priority area – the common grazings paper is presenting difficulties. The papers are currently being collated as a single document and the group will meet again to finalise. The

document will be sent to the Cabinet Secretary and will be launched at a parliamentary reception.

**Action: Sec to circulate presentation slides.**

The six priorities and the key recommendations comprise:

Priority Area	Key Recommendation
1. Simplify Crofting Legislation	Continue to pursue crofting law reform with a focus on simplifying legislation
2. New Entrants	Incentivise the early transfer of crofts to new entrants
3. Increase Affordable Housing	Re-establish a croft house loan scheme
4. Development of Crofting	Establish within one single body the responsibility for Crofting Development
5. Financial Incentives	Where required, maintain and improve financial support specifically for crofting
6. Common grazings	Establish best means to facilitate joint working/collaboration between grazings committees and communities to make best productive use of assets

*Discussion:*

Comment: It is essential to 'croft-proof' support mechanisms, especially for common grazings, as schemes seem to address common grazings as an after-thought. They need to be designed with common grazings in mind from the beginning.

Comment: There were other areas that merit improvement identified also but the group is concentrating on these six.

Question: How does the NDPC relate to current crofting legislation reform?

Answer: the NDPC will be completed and consulted upon next year. The proposed law reform will have been established by then and can be included in the NDPC. There is much that can be implemented without law reform and the reforms may move some law to policy/regulation level. Law may also be simplified. In short, the NDPC will include law reform and other.

## **5. Crofting Law and Administration**

### **5.1. Legislation**

Gordon Jackson, SG Head of Agricultural Development and Crofting, gave an update on crofting law reform and the consultation.

The Scottish Government is committed to modernising crofting law to make it workable and the intention to introduce legislation is included in Programme for Government 2017-18. The consultation on crofting law reform ends 20 November and seeks to establish the views and opinions on 3 key areas – crofting Policy definition; options for legislation; and specific legislative priorities.

1. The stated Scottish Government policy on crofting is defined and consultees are asked to comment on it;
2. 5 options for legislative change are given and respondents are asked to choose which route they would prefer to see SG take; options 1-4 progress from a consolidation bill, through amendment & consolidation, or restating law, to a bill introducing new

legislation (clean sheet); Option 5 offers respondents the chance to suggest another route or to opt for no change.

3. Priorities for legislative reform have been identified by the Bill Team – absenteeism; misuse and neglect; assignation and succession; common grazings; Crofting Commission regulatory functions and processes; crofting registration; owner-occupier crofts; standard securities. Respondents are asked a series of questions relating to each priority and are asked to give any other priorities they think need addressing.

*Discussion:*

Comment: Option 1, consolidation, actually means no action as a consolidation bill does not introduce any legislative changes.

Question: There was reference to the options getting more complicated as they progress but the consultation document seems to indicate that option 3 is less complex than option 2. This is very confusing. It says that option 2 is “unlikely to address all issues presented by stakeholders”. Is there the suggestion that all issues identified in The Sump will not be addressed? Does this mean that we could end up with an act that still does not work?

Answer: A consultation is to gather views.

Comment: All options should solve all problems, albeit in different ways.

The Bill Team can provide a spokesperson for a meeting of the CPGoC. The group felt this would be very useful; it may need to be an extra meeting of the group. Options were discussed including holding it in Parliament, in Saughton House, in Inverness.

**Action: Sec to liaise with Michael O’Neill on possible dates and to arrange venue. Sec will notify group.**

## **5.2. Administration**

Donna Smith, Dep. CEO CC, gave a presentation on the new board of the CC, on administration of regulation and on the CC Policy Plan, including:

- Register of Crofts is now on-line and has already had over 2000 hits;
- The Annual Report is now on the CC website having been signed off by Cabinet Secretary;
- An amended Policy Plan will be submitted this week;
- A three-tier delegated decision-making format is working well and saving a huge amount of time on customers getting a decision.

*Discussion:*

Question: At what stage are Assessors used in decision-making?

Answer: CC don’t use assessors on individual cases due to risk of conflict of interest; however, this is to be discussed at the next board meeting.

Question: What happened to the common grazings regulations template?

Answer: It went out to consultation and we received over 100 responses. This then went to the last meeting of the board and it will go out soon. Committees will not have to replace their regulations but will be encouraged to compare them to the template and replace if they see fit.

**Action: Sec to circulate presentation slides.**

## **7. AOB**

1. FCS woodland options for crofting have been extended to all croft areas.

2. Damage caused by wild geese in the Outer Hebrides has escalated to catastrophic proportions. SNH Head of Policy & Advice, Eileen Stuart, has agreed to attend the next meeting to outline how the problem is being addressed.

## 8. DONM.

25<sup>th</sup> October then an extra meeting to address crofting law reform tbc.

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i **Acronyms:** AECS Agri-Environment Climate Scheme; AF Assynt Foundation; CAB Citizens Advice Bureau; CBS Community Broadband Scotland; CC Crofting Commission; CAGS Crofting Agricultural Grant Scheme; CCx Crofting Connections; CFS Care Farming Scotland; CHGS Croft House Grant Scheme; CLG Crofting Law Group; CLS Community Land Scotland; CnES Comhairle nan Eilean Siar; CRSF Crofting Register Stakeholder Forum; CWA Community Woodlands Association; DEFRA UK Gov Dept. for Environment, Food and Rural Affairs; EC European Commission; ECCLRC Scottish Parliament Environment, Climate Change and Land Reform Committee; EFNCP European Forum for Nature Conservation & Pastoralism; FCS Forestry Commission Scotland; FFRWG Freight Fares Review Working Group; HC Highland Council; HIE Highlands & Islands Enterprise; HSCHT Highland Small Communities Housing Trust; JHI James Hutton Institute; LANTRA Land-based & Environmental Industries Training; MSP Member of the Scottish Parliament; NDPC National Development Plan for Crofting; NGMRG National Goose Management Review Group; NISR Newcastle Institute for Social Renewal; NFUS National Farmers Union Scotland; NS Nourish Scotland; NTS National Trust for Scotland; RECC Scottish Parliament Rural Economy and Connectivity Committee; RoS Registers of Scotland; RSABI Royal Scottish Agricultural Benevolent Institution; RSPBS Royal Society for the Protection of Birds Scotland; SAC consulting arm of SRUC; SAS Soil Association Scotland; SCF Scottish Crofting Federation; SCFYC SCF Young Crofters; SCRG Scottish Churches Rural Group; SCVO Scottish Council for Voluntary Organisations; SG Scottish Government; SGCLSG Scottish Government Crofting Legislation Stakeholders Group; SGCSF Scottish Government Crofting Stakeholder Forum; SGRPID (RPID) Scottish Government Rural Payments and Inspections Directorate; SLE Scottish Land & Estates; SNH Scottish Natural Heritage; SPICe Scottish Parliament Information Centre; SRA Scottish Rural Action; SRN Scottish Rural Network; SRP Scottish Rural Parliament; SRUC Scottish Rural (University) College; SS Smallholder Scotland; UHI University of Highlands and Islands; WCP Woodland Crofts Partnership; WTS Woodland Trust Scotland.