

CROSS-PARTY GROUP on CROFTING
Meeting 11 of Parliamentary Session 5
Scottish Parliament, room Q.1.03
Wednesday 17 January 2018 at 17.30

MINUTES

Present:

Edward Mountain MSP ⁱ (Convener)	Jamie Halcro Johnston MSP
Rhoda Grant MSP (Convener)	Siobhan MacDonald SAC
Patrick Krause SCF (Secretary)	Irianna Vlachopoulou JHI
Michael Nugent SG	Padruig Morrison SCFYC
Gordon Jackson SG	Bob Kennard ^{AL} SFT
Bill Barron CC	Fiona Mandeville ^{AL} SCF
Sandy Murray NFUS	Donald Murdie ^{AL} SCF / Skye Abattoir
Russell Smith SCF	Murdo MacKay ^{AL} CnES
Liam MacArthur MSP	Murray McCheyne ^{AL} SLE
Rhona Elrick RoS	
Katy Dickson SLE	
Brian Inkster CLG	
Rosemary Champion SHS	

1. Welcome and Apologies

The convener welcomed everyone. Apologies were received from:

Brendan O'Hanrahan SCF; Ross McLaren SCRG; Janette Sutherland SAC; Jamie McIntyre WCP; Tavish Scott MSP; Billy Neilson CC; Fiona MacKenzie UHI; Donald Cameron MSP; Donald Crichton CnES; Donna Smith CC; Rod Mackenzie CC; Michael O'Neil SG; Stephen Sandham Neil Ross HIE; SG; Lucy Sumsion NFUS; John Finnie MSP; Donald E Meek crofter; Kate Forbes MSP; Angus MacDonald MSP; Graeme Dey MSP; Emma Harper MSP; Gail Ross MSP; Maree Todd MSP; Robin Haig SCFYC; Donald MacKinnon SCFYC; Wendy Kenyon SPICe; Eleanor Garty WTS; Kate Fry office of Rhoda Grant MSP.

2. Minutes of previous meeting

The minutes of the previous meeting held on 25 October were agreed.

3. Matters Arising

- Sporting rates: Someone from the SAA will attend on next CPGoC. The RECC is also seeking clarity on this issue.
- Geese: follow up, get update from SNH, raise again at next CPGoC.

4. Crofting Development

4.1. Crofting Development – Local abattoirs

Bob Kennard reported on the research undertaken on behalf of the Sustainable Food Trust on the lack of provision of slaughtering facilities in UK. His presentation has been circulated.

The main points were:

The SFT commissioned research into why there are getting to be such a shortage of abattoirs in the UK. Abattoirs, especially smaller local ones, are closing due to:

- Cost of veterinary inspections;
- Too much red tape for small business;
- Difficulty in recruiting staff (not an attractive business);
- Less red meat sales (though there is a willing market for local produce).

Pluses for local abattoirs include:

- Increased choice of cuts;
- Less transport miles (good for animal welfare);
- Better for the local economy (x4 multiplier on £).

The research concluded that this is like “a death of a thousand cuts” appropriately. It calls on all governments to support local businesses.

The black spots (scarcity of abattoirs) were identified – this includes most of Scotland.

The report lists recommendations, such as reducing onerous regulations for smaller slaughtering businesses and being more creative – e.g. using live video for vet inspectors.

Donald Murdie from the Skye abattoir project gave an update (his note has been circulated). The main points included:

The cost of the project is escalating as delays increase. Scottish Government say State Aid Rules prevents support of over 40% but there is a strong argument that this is not a SAR issue – it is addressing market failure in a fragile community and the project is non-profit making.

After 7 years of voluntary time people are exhausted. This is the last chance at the FPMC scheme which could fund this. The project needs MSPs to support it and the CPGoC is asked to pressure the Scottish Government to consider flexibility.

Discussion:

The Orkney abattoir will be discussed by the Cabinet Secretary and stakeholders tomorrow. The main problem with it seems to be that it was not small enough. The building is very large. Orkney needs a bespoke facility for a smaller through-put. Orkney with no slaughtering facility is counter-intuitive regarding costs and animal welfare implications of shipping out live animals.

High provenance meat production is a central tenant of Scottish Government food and drink strategy. Big abattoirs use mostly EU staff. Orkney had EU staff but they moved away, the loss of a key worker.

The sky project should aim to recruit and train locally, there are people available. Micro abattoir jobs can fit well with the crofting way of life.

Shetland seems to be a facility suited to throughput, they took the decision to build a smaller abattoir.

This applies across Scotland, we need many more small, niche facilities. Mobile abattoirs can be considered but you need to be able to hang and call will meet. The Skye abattoir has a cool room in the business plan.

It takes for journeys, taking the animals to slaughter, returning home, going back from the meat and returning home. If the abattoir is a hundred miles away...

Why is it that deer can be shot and sold straight into the food chain but not sheep?

This sort of obstacle is preventing young people, new entrants from coming into crofting.

Is it really a state aids issue? There needs to be a will in Scottish Government. We are told that the bull scheme was a state aids issue and had to close but SCF eventually found out directly from Brussels that it was not and we still have the scheme.

Proposal for a letter from the CPG to Cabinet secretary in support of local abattoirs and the Skye abattoir in particular. **Agreed.**

Action: a letter to be sent from CPGoC to Cabinet Secretary for Rural Economy expressing views of the group.

4.2. Other updates from SG, agencies and NGOs

SGCSF: the crofting development papers have been collated. The common grazings paper is a bit difficult and needs some more work. The draft paper will be circulated soon.

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 consultation on the future of crofting legislation reform included 14 public meetings in crofting areas and 7 private meetings with stakeholder groups or bodies. Over 300 people attended these meetings.

There was a good level of response to the consultation with 122 responses from crofting representative bodies, crofting lawyers and businesses. Responses that were able to be published are available to read on the Scottish Government's Citizen Space website.

The final analysis of consultation responses from the consultants is due in late January.

In the mean-time, it is possible to provide the following high-level summary:

- 51% of respondents who answered the question about crofting policy disagreed with the Scottish Government's overarching crofting policy statement. The reasons for disagreement varied with no apparent consensus being evident: reasons given being that the crofting policy should promote crofter rights and protections; that the policy statement indicated a lack of specialist knowledge on crofting law; that the policy statement required simplification and that a vision statement for crofting was required.
- There was a clear majority of respondents answering the question about crofting legislation preferring Option 4 (43%), new crofting legislation compared to the next most favoured option, Option 2 (24%) amending legislation followed by consolidation. Options 3 (amendment and restatement) 1 (consolidation only) were less preferred. There was no noticeable difference in the proportions of support for option 4 over option 2 in terms of individual responses as a group compared to stakeholder organisations as a group.
- The main stakeholders are split in their support for Options 2 and 4; Scottish Crofting Federation, the Crofting Commission, Scottish Land & Estates and some lawyers favoured option 2 whereas NFUS, Community Land Scotland, Highlands and Islands Enterprise, Western Isles Council, Shetland Council and some lawyers Option 4.
- Two priority areas, 'Absenteeism', 'Misuse and Neglect' and 'Crofting Commission Regulatory Functions and Procedures' were ranked noticeably higher than all other priorities, with the issues of 'Standard Securities' being the lowest ranked of the priorities given. Even for these priorities, however, identifying the changes wanted by stakeholders is difficult due to opposing or contradictory positions held by respondents on specific aspects of these priorities.

Advice will be put to the Cabinet Secretary as soon as possible. His decision will be a tough one to make, partly because options 2 and 4 are two very different approaches to dealing with the legislation but also because looking at the comments in responses, there are many opposing or conflicting views that mean there is highly unlikely to be a universally agreeable way forward for crofting legislation.

Discussion:

Question: 51% did not agree with the policy statement but for different reasons; could this also be with option 4, that organisations had different objectives for option 4 in mind? Is option for with caveats really a 'clean sheet'?

Question: options 2 and 3 seem to be very similar?

Answer: yes the differences between option 2, option 3 and option 4 with caveats are not huge, it is a continuum.

Question: do responses get weighted towards experience?

Answer: the level of experience should be quite clear from the response.

Question: when will we know how this is to be progressed?

Answer: the analysis is due before the end of the month and a recommendation is then made to the Cabinet Secretary.

5.2. Administration

Bill Barron gave an update on the activities of the Crofting Commission since the previous meeting. This included:

* In November, the Commission had submitted a substantial response to the Scottish Government consultation on the future of crofting law.

* The Commissioners had hosted roadshows around the country to invite crofters to apply to be on the new panel of assessors. A reduced level of applications meant that the Commission would be appointing a smaller panel in the spring, but this would enable the Commission to develop new ways of involving assessors in its work.

* The recent period had seen a number of substantial decisions on regulatory casework. The new arrangements seemed to be working well, with routine cases delegated to officials, and more difficult decisions taken by panels of 3 Commissioners or by the full Board.

* Additional financial support from the Scottish Government had allowed the Commission to begin to expand its work on the enforcement of crofting duties and the re-letting of vacant crofts; and to restart work on the registering of common grazings, though currently limited to those grazings which had been preparing applications prior to the pausing of this work in 2016.

* The Commission had recently appointed a consultant (Gwyn Jones, who is known to many of the CPGoC) to study how subsidy support systems currently support crofting, and to put forward proposals on how it might to so in future, after Brexit. Gwyn would be reporting to the Commission in the summer, and it was hoped this would provide evidence and ideas, to feed into this vital debate.

Discussion:

Question: assessors are by parish; if there are to be fewer assessors, how will their areas be defined?

Answer: maybe bigger areas, or not geographic.

Question: has there been any follow-up from the census from previous years, those that did not reply or did reply that they are not using their croft?

Answer: there will be follow-up from March. A 'carrot' approach is to be developed, in which those who are not fulfilling their duties are advised on a range of options available to them.

Question: do you know how many there are who answered that they are not fulfilling their duties and/or not answering the census at all?

Answer: not off the top of my head, but an answer will be provided.

Question: can you find out more from the census?

Answer: yes, legislation allows this. We are planning more questions.

Comment: if information on what people are doing or not doing is available a "stick" approach may be more effective.

Question: could you ever combine crofting census information with IACS information? The agricultural census takes information from IACS.

Answer (CC): the CC is an arm's-length NDPB so it would need to be clear of what purpose it wants to make of IACS information.

Comment: we need a marker on the IACS so that we know who are crofters. This has been asked for time and time again.

Answer (SG): we tried to get it on the IT system but just to get the system to work it needs to run on basic information only; this idea was discussed and rejected on the grounds of IT limitations.

6. Crofting Support

Michael Nugent, SG, gave an update on support schemes:

CAP payments.

2016

BPS/Greening/Young Farmer: 99.9% of customers paid and over 99% of total value paid – only 3 claims still to pay

SSBSS/SUSSS: 100% SSBSS and 100% SUSSS completed

LFASS: 95% of eligible claims have now been processed worth £62.4 million, with payments of £13.1 million net of loans.

Rural Priorities: 93% of claims now paid

AECS/FGS: 87% of AECS claims and 94% of FGS claims have been paid.

BES: 96% of BES payments not waiting for customers to provide information have been made.

LMO: 96% of LMO claims have now been paid.

2017

BPS Loans: 17,595 farmers and crofters have now been made a loan offer total valued at £344 million. 13,350 claims paid worth £312.6 million.

The Agri-Environment Climate Scheme (AECS) opened again last week for a new round of applications, with a closing date of Friday 13 April for standard applications and 31 May for collaborative projects.

RPID is still working to start BPS 2017 payments in March and open the SAF as usual in March.

Crofting Schemes:

Croft House Grant - December tranche - 31 applications received. 9 of them ineligible due to: 4 missing documents, 2 house size not eligible, 2 applicants not on Register of Crofts, 1 applicant is the landlord of the croft. The 22 eligible applications are currently under consideration.

CAGS - updated stats for calendar year 2017.

Year	Applications	Approved	Value	Claims Paid	Amt Paid
2017	780	566	£3.1m	596	£2.43m
2016	700	614	£2.7m	290	£1.03m
2015	478	228	£882k	57	£19k

Note the uplift in value of spend for 2017.

Discussion:

Question: can we get information on Brexit support?

Answer: the agricultural champions are working on this as part of the national council of rural advisers.

Proposal to invite someone from the agricultural champions to a future CPGoC. **Agreed.**

7. AOB

Siobhan MacDonald gave an update on the FAS for crofters and smallholders. There are three elements to the scheme, an advice line which is free, subscription service for which there is a discount, and events, guides, pod casts, videos, many of which are for small scale producers.

8. DONM.

07 March

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; 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; SAA Scottish Assessors Association; 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; SFT Sustainable Food Trust; 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; SHS Small-Holder Scotland; THC The Highland Council; UHI University of Highlands and Islands; WCP Woodland Crofts Partnership; WTS Woodland Trust Scotland.