

## **CROSS-PARTY GROUP on CROFTING**

### **Meeting 32 of Parliamentary Session 4**

**Scottish Parliament, room Q.1.03**

**Wednesday 16 December 2015 at 17.30**

### **MINUTES**

#### **Present:**

Jamie McGrigor MSP <sup>i</sup> (Chair)	Russell Smith SCF
Patrick Krause SCF (Sec)	Catriona Maclean CC
Derek Flyn	Colin Kennedy CC
Jean Urquhart MSP	Craig Smith SG
Gordon Jackson SG	Pam Rodway CCx
Neil Ross HIE	Siobhan Macdonald SAC
Lucy Carmichael SG	Drew McFarlane-Slack SLE
John Brownlee SG	Chris Bathgate SRN
Ian Davidson SG	Fiona Mandeville SCF (v <sup>ii</sup> )
Douglas Pattullo office of J McGrigor MSP	Maria Scholten SCF (v)
Lucy Sumsion NFUS	Ryan McCabe Odro (v)
Sandy Murray NFUS	
Brian Inkster CLG	

#### **1. Welcome and Apologies**

Due to a Parliamentary debate the chair, Jamie McGrigor MSP, was due to be delayed so Derek Flyn took the chair with approval of the meeting. He suggested item 4 be left to the end so that Jamie would be present for it. Agreed.

The chair welcomed everyone and asked for introductions. Apologies were received from Dave Thomson MSP; Angus MacDonald MSP; Rhoda Grant MSP; Rob Gibson MSP; Jeanette Sutherland SAC; Robin Haig SCFYC; Maddy Norval SCFYC; Clare Slipper NFUS; Tom Edwards SPICe; Murdo MacKay CnES; Andrew Midgely SLE; Ross McLaren SCRG.

#### **2. Minutes of the previous meeting 28 October 2015**

The minutes were approved subject to a small correction under item 8. CLG should read SGCLSG.

#### **3. Matters Arising**

No matters arising (Actions completed).

**4.** Item 4 deferred to end of agenda.

#### **5. Crofting Development** (*Standing item*)

##### *1. Report back on the Crofting Stakeholder Forum 'Action Plan'*

Catriona MacLean gave an update: The five priorities of action for crofting have been agreed by the Crofting Stakeholder Forum and presented in a letter to the minister for crofting Dr Aileen McLeod. They are:

Area of action	Recommendation
1. Simplify Crofting Legislation	Give this group the task of developing the bones of a new Act
2. New Entrants	Make crofts available
3. Increase Affordable Housing	Through a meaningful grant and loan system, do more to help new entrants / crofters get access to affordable housing in rural and island communities
4. Development of Crofting	Funded lead body on crofting development
5. Financial Incentives	Ensure current and future P1 and P2 policies have a positive impact on crofting

There has not yet been a formal response but the action points were referred to in the minister's address to the Future of Crofting conference on 4<sup>th</sup> December.

### *2. Progress on Croft House Grant Scheme*

Lucy Carmichael gave an update: A targeted consultation has been sent to key stakeholders and SG has received 8 responses. The regulations were expected to be laid by mid-January, before dissolution of parliament.

A response to the targeted consultation on a loan element of the scheme is needed by the end of January. The SG had already received some responses from stakeholders and will circulate summary of stakeholder responses on reintroduction of loans for croft houses once all received.

### *3. Other updates from SG, agencies and NGOs*

HIE: Neil Ross said that the Crofting Connections project, which HIE has been supporting, is coming to a close. It is a very useful and liked project that many will want to see taken into another phase. It needs funding. HIE, whilst wanting to continue to support in some capacity will not be the main funder; it is hoped that funding will come from education. A letter to the minister could help. **Agreed.**

**Action: write to minister expressing group's support of Crofting Connections.**

## **6. CAP and Crofting** (*Standing item*)

### *1. SG update on CAP payments and SRDP schemes*

Ian Davidson gave an update: Basic Payments (pillar 1) are due to commence before the end of December. The Cabinet Secretary has made an announcement indicating the schedule. A proportion of the total due to each claimant will be paid at first, followed by the balance in a subsequent payment. Complex cases may take a bit longer to process. The statutory payment window extends to June 2016.

Indicative letters showing the number and initial value of entitlements were expected to issue by end of January. These would provide an indication of payment amounts.

SG has a helpline for crofters with any questions about payments: 0300 300 2222

### Discussion

Q. Payments are based on an expected amount of land being claimed on and therefore an expected number of entitlements of a certain value. There is potentially going to be 0.5 million ha less coming in so will payments be uplifted?

A. This decision has not been made yet.

Q. What changes are there by region on what was expected?

A. region 2 and region 3 are lower than anticipated and region 1 is higher.

There will be an option to transfer more from pillar 1 (basic payments) to pillar 2 (SRDP) in 2017.

There have been about 1400 applications to the sheep scheme which is a bit higher than in the modelling – but it is expected that some applications will not be eligible.

It was suggested that extrapolation of hogg numbers indicates the national flock is small, or that common grazings are not reaching the 80% R3 threshold for whatever reason.

SRDP. Noted that generally the SG is looking to improve targeting of schemes. In relation to AECS applications, contracts won't be issued before the end of the year but successful applicants will get a letter of comfort.

### Discussion

Q. What will happen to SSSIs (Sites of Special Scientific Interest)?

A. Generally, 75-80% of SSSI sites receive approval. E.g. if there is a choice between a designated site and non-designated site, the designated would generally be expected to take priority.

Q. CAGS?

A. The scheme is not issuing new letters of contract until after the outcome of the budget. Payments for previously approved applications will continue to be processed.

## *2. Weather aid update*

Gordon Jackson gave an update: SG donated £50k to RSABI in August 2015. In October, the Scottish Government provided £20k to transport straw from Arbroath to Westray (approximately 50% of the costs).

Q. Has RSABI handed out any of the donation?

A. Yes, but don't know how much. We will have the figures for the next WI meeting 11 January.

SCF has promoted RSABI widely to members; there is a resistance to 'taking charity'. Members of the CPGoC were asked to continue to encourage crofters who are facing financial hardship in light of poor weather, or for any other reason, to contact RSABI to see if the charity is able to provide financial or non-financial support.

## **7. Crofting law** (*Standing item*)

This item to be 'crofting legislation and administration'. **Agreed.**

## *1. Progress on regulation*

Catriona MacLean gave an update on the commission's activity (see appendix below). The minister has approved the CC Policy Plan, which is much closer to the requirements for legislation.

The new streamlined regime is seeing cases going through faster – 27 in the last month. Croft registration is the sticking point.

The 2014 croft census, the first for 60 years, generated 9000 amendments to the Register of Crofts. These are nearly finished. It demonstrates that there is a need for better quality information – which this process gets. CC is working with those who filled out the form saying they were not using or occupying the croft., or who filled the form in incorrectly, or did not return the form. It is a lot of work and the next census is due out soon.

### Discussion

Q. why annual?

A. legislation says annual.

Q. could the agricultural census be used?

A. only to an extent; the agricultural census would not go out to inactive crofters, and has a relatively low level of returns.

Q. the requirement to advertise a croft registration twice in a newspaper is over the top.

A. CC have tried to reduce the burden (which is in legislation) by making the requirement a local paper.

Q. is the Plan available on the CC website?

A. yes.

Lucy Carmichael noted that work had begun to prepare for the next crofting elections in March 2017. The legislation required the Scottish Government to consult on constituencies and voter eligibility, though other matters might also be included. Work was being progressed to review the person profile for commissioners. It was noted that a number of organisations represented at the CPGoC were likely to have networks which could help with awareness-raising (both in terms of encouraging candidates to stand and in improving voter turn-out). The development of the 2017 elections would be informed by lessons learned from the first elections in 2012. It was noted that this would be a long-term piece of work and that the SG would continue to provide updates on progress. Catriona Maclean noted that the assessors' conference will be one big one every 3 years; then the next year regionals, then the next year locals.

## *2. Progress on legislation*

Gordon Jackson gave an update: as set out in the Minister for the Environment, Climate Change and Land Reform's letter to the SGCLG in response to its recommendations, given existing legislative commitments and the wide-ranging nature of the proposed changes to crofting legislation, further work was ongoing to develop a forward programme of work, including legislation that could be taken forward in the next parliamentary term, though no formal commitment to legislation had been made. The SG Crofting Legislation Group had met that day and had agreed that a new crofting bill approach was favoured over a 'sticking plaster' approach of further amending existing legislation.

The following actions had been agreed at the meeting:

- SG to circulate list of post-Sump issues identified with the legislation;
- David Findlay to prepare discussion paper about succession;

- CLG conference expected to be late Feb / early March depending on Minister's availability. Crofting Policy to progress;
- Next meeting of SGCLG for mid-February – mid-March (dependent on timing of CLG Conference);
- Derek Flynn, David Findlay and Catriona Maclean to draft a short note of the 'skeleton' of a new Crofting Bill;
- Gaps in implementation of Shucksmith – SG to identify and circulate;
- Drew McFarlane Slack to provide SLE report on outputs from Scottish Estates.
- Previous provisions drafted for 2010 Act on standard securities that were subsequently removed. SG will locate material and circulate.
- Future Succession Bill – SG to recirculate consultation link and the analysis report and responses once available.

#### **4. The Future of Crofting conference**

The film of Professor Shucksmith's presentation is online here: <https://vimeo.com/153904887>

The event report film is online here: <https://vimeo.com/154026393>

Russell Smith, SCF, gave a summary of the conference:

A successful and worthwhile day – over 100 people registered.

A note of proceedings has been circulated. This summary will concentrate on 6 points that came out of the conference which lead to discussion (in no particular order).

1. Housing
  - a. Vital for future of crofting especially for young people
  - b. Mortgage on croft houses – understand ready to go after Shucksmith but not enacted. Need to revisit.
  - c. Croft house loan scheme – as well as grant.
2. Legislation – is needed to be simple and consistent.
3. Crofting Devt – 2nd leg of Shucksmith. Some going on but generally overlooked. Do we need a lead body?
4. Making land available
  - a. Old debate of neglect v. absenteeism. Which is worse? Answer "depends" and "both need addressed". Key is to bring land back into use.
  - b. Also debate on creating new crofts v. bring existing back into use? Answer "both" thought conference.
  - c. In old crofting counties and new areas
  - d. Commission advise but no-one promoting
  - e. 1919 Land Settlement Act mentioned by Jim Hunter – still on statute books. Can we use?
5. Support – crofting proven public benefits especially for population retention and biodiversity. So deserves public support. ANC is key.

6. Future of Scottish Agriculture – dismay that so little coverage of crofting given its place in providing store animals to the south and east and its record in provision of public goods.

The conference outputs had a big overlap with the Stakeholder Group priorities for crofting – not surprisingly.

How do we take forward? Support Stakeholder Group – write to minister saying so. **Agreed.**

Fiona Mandeville, Chair of SCF, gave a working 'Vision for Crofting':

"Crofting sustains remote communities with small parcels of land that provide a place to live and bring up a family; a place to work the land; contribute quality stock to the food supply chain; run a small business; thus keeping schools and local services open and sustaining our traditional culture; encouraging empowerment and co-operation; and protecting the environment. Crofting meets all the government's objectives and must be properly supported."

**Action: letter to minister confirming outputs of conference corroborate outputs of SGCSG.**

## **8. AOB**

The chair thanked Ryan McCabe for setting up the OdroVision livestreaming system which allowed participants to come in by video – very successfully.

## **9. DONM**

10 February 2016

## **Appendix**

### **Crofting Commission Update at December 2015**

#### **Delegated Decision Making**

Until now all regulatory decisions were being taken by Commissioners. As part of the Commission's organisational transformation this required to be changed. Staff were involved in the co-production of the new processes for delegation which contributed to their smooth implementation at the beginning of November. Fifty five percent all regulatory cases are now delegated and in the first month 27 applications were approved by staff. This has saved at least a week of processing time giving an immediate service improvement for applicants and reducing work for staff who no longer have to collate and send cases to Commissioners.

Feedback from Commissioners is very positive with the reduction workload allowing them more time for strategic issues. Commissioners set the parameters for delegation, are involved in the auditing process, and remain responsible for decisions. They are also given a summary of all cases that have been dealt with to keep them apprised of activity in their area.

#### **Croft Census 2014**

The first Annual Notice, or Croft Census, went out to over 18,000 crofts in October 2014. This is the legislative requirement for all crofters and owner occupiers to give the Commission specific information about themselves, their crofts and also to confirm that they were not in breach of their duties. There was an 85% return rate which resulted in Commission staff dealing with over 9,000 amendments to its Register of Crofts.

This represents the single biggest update of the Register of Crofts in 60 years, giving more confidence in the accuracy of our information which will help with the processing of case work. At the time of writing we have less than 50 amendments to process and these are of a complex nature. We were keen to process as many of these amendments as possible before

the issue of this year's census and it was for this reason we delayed its issue to mid December 2015.

We continue to work with the 2000 crofters who told us they were in breach of their duties and this has resulted in an increase in some regulatory cases as those in question take action to resolve these breaches.

### **Croft Information System**

The new Croft Information System will radically simplify the way cases are processed and significantly reduce processing times which will produce a further service improvement for applicants. It will also provide high quality management information which will increase effective governance and management of the organisation.

Commission staff have been intrinsically involved in the development of the system to ensure that it will meet our requirements and deliver improvements to our service. We hope to 'go live' in early February which I am confident we will achieve but I am keen we get it right rather than just quick so this date may slip by a week or so if it makes sense to do so.

### **New Entrants**

The Commission have simplified the process for assessing potential tenants allowing us to deal with relets on a more industrial scale. We did this because we want to ensure that the vacant crofts and shares on Scottish Ministers crofting estates are let as soon as possible. We can only do this by working closely with Ian Davidson, who is in charge of Scottish Ministers Estates as it is essential that the Landlord does their part to achieve this. Many of these cases are likely to be as a result of a failure of statutory succession and therefore they will need careful handling.

### **Diversity in the work place**

Last year the Commission took on a modern apprentice who has Autism and the whole organisation underwent Autism training to ensure that we had a good understanding of his needs. This young person is preparing for his end of apprenticeship presentation and interview and we are hopeful that he will be successful and join the Commission on a permanent basis.

The Commission introduced a mentoring programme with the aim of given young people a taste of what is involved in a public appointment. The 2 young people being mentored continue to develop and have been talking about their experience to other members of the young crofters group. This has generated a keen interest among other young people in becoming involved and in the New Year we hope to add another two to this successful programme.

### **Wider SG Policy Contribution**

#### Climate Change

The Commission have now identified a grazings committee on a Scottish Ministers crofting estate in Skye who want to develop a joint crofter forestry scheme and I am again liaising with Ian Davidson, but also Jo O'Hara of the Forestry Commission, on this. We hope the project will demonstrate leadership to private sector landlords, encouraging them to work with their tenants to delivery forestry projects that can contribute to national climate change targets.

#### Broadband Connectivity

Following the Convention of the Highlands and Islands the Commission provided information to Alex Paterson, CEO, HIE and Mike Neilson, SG, on ways in which Scottish Ministers crofting estates might be able to help provide low cost sites for mobile masts in remote rural areas. The availability of land at reasonable cost was an issue raised by providers when discussing increasing connectivity in remote areas.

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**Acronyms:** AC Animate Consulting; AF Assynt Foundation; ASC Assist Social Capital; CAB Citizens Advice Bureau; CC Crofting Commission; CAGS Crofting Agricultural Grant Scheme; CCx Crofting Connections; CFS Care Farming Scotland; CGF Common Goof Food; CHGS Croft House Grant Scheme; CLG Crofting Law Group; CnES Comhairle nan Eilean Siar; CRSF Crofting Register Stakeholder Forum; DEFRA UK Gov Dept for Environment, Food and Rural Affairs; EC European Commission; EFNCP European Forum for Nature Conservation & Pastoralism; FCS Forestry Commission Scotland; HC Highland Council; HIE Highlands & Islands Enterprise; HSCHT Highland Small Communities Housing Trust; HWU Herriot-Watt University; JHI James Hutton Institute; JMT John Muir Trust; LANTRA Land-based & Environmental Industries Training; MSP Member of the Scottish Parliament; NFUS National Farmers Union Scotland; NS Nourish Scotland; NTS National Trust for Scotland; RACCE Scottish Parliamentary Committee on Rural Affairs Climate Change and Environment; RoS Register 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; RSPB Royal Society for the Protection of Birds; UHI University of Highlands and Islands; WCP Woodland Crofts Partnership; WTS Woodland Trust Scotland.

ii Participating via OdroVision video link