

CROSS-PARTY GROUP on CROFTING
Meeting 15 of Parliamentary Session 4
Scottish Parliament, room Q.1.03
Wednesday 19 June 2013 at 17.30

MINUTES

Present:

Jamie McGrigor MSP¹ (Chair)
Patrick Krause SCF (Sec)
Angus MacDonald MSP
Neil Ross HIE
Lucy Sumsion NFUS
Sandy Murray NFUS
Keith Matthews JHI
John Brownlee SG
Jim McPherson CAB
Billy McKenzie SG
Jean Balfour SLE
Jim Lugton SCF
Derek Flyn SCF
Susan Walker CC
Gordon Jackson SG
Richard Frew SG
Colin Kennedy CC
Norman Leask SCF
Tavish Scott MSP
Jean Urquhart MSP
Douglas Pattullo office of Jamie McGrigor MSP
Joseph Kerr CC
Dave Miller JHI
Ronnie MacRae HSCHT
Fiona Mackenzie UHI
Geneva Tubby SG
Brian Inkster SLE

1. Welcome and Apologies.

Jamie McGrigor welcomed everyone and introduced new faces. Apologies were received from:

Gwyn Jones EFNCP; Dave Thompson MSP; George Farlow HC; Kim Karam office of Tavish Scott MSP; Pam Rodway SAS; Karen MacRae SCF; Russell Smith SCF; Rhoda Grant MSP; Rob Gibson MSP; Hugh Donaldson HIE; Vicki Swales RSPB; Amy Corrigan RSPB; Catriona MacLean CC; Simon Allison CC; Billy Neilson NFUS; Nigel Miller NFUS.

2. Minutes of the previous meeting

Minutes of 01 May 2013 agreed.

¹ **Acronyms:** CAB Citizens Advice Bureau; CC Crofting Commission; EFNCP European Forum for Nature Conservation & Pastoralism; HC Highland Council; HIE Highlands & Islands Enterprise; HSCHT Highland Small Communities Housing Trust; JHI James Hutton Institute; MSP Member of the Scottish Parliament; NFUS National Farmers Union Scotland; RoS Register of Scotland; SAS Soil Association Scotland (Crofting Connections); SCF Scottish Crofting Federation; SG Scottish Government; SLE Scottish Land & Estates; SPICe Scottish Parliament Information Centre; RSPB Royal Society for the Protection of Birds; UHI University of Highlands and Islands; WCP Woodland Crofts Partnership.

3. Matters arising

A request was made that the minutes go out more in advance of the next meeting; secretary agreed to ensure this happens.

4. Implementation of the Crofting Reform 2010 Act

Richard Frew, Scottish Government gave a brief update on crofting reform:

Crofting register triggers will be introduced on 30 November.

The decrofting amendment bill is on schedule. The stage 3 debate will be next Tuesday followed by commencement on Royal Assent in a minimum of four weeks (which is potentially much quicker than usual commencement).

There were 50 decrofting applications, 44 of which were affected by this. The other six didn't relate to owner occupier crofters but to multiple owners. The Crofting Commission is ready to process applications as soon as possible. If someone has a particular, urgent deadline to meet they should let the Crofting Commission know, who will try to fast-track their application.

Other anomalies in the 2010 Act are being sought in a scoping study. The Crofting Law Group has offered to collate all the issues - "the sump"; this will be dealt with by Derek Flyn and Keith Graham, who will notify Scottish government when they have collated the information. The Crofting Law Group conference on 27 September will have breakout groups to feedback anomalies to the sump.

Discussion

The Crofting Commission allegedly respond to enquiries concerning anomalies in the law with the advice "consult your lawyer". Crofters should not have to - the CC is the regulator and should be advising on crofting legislation.

It was pointed out that the Crofting Register does not comply with the Act and is therefore not valid. In the bill process it was promised that all burdens and pertinents would be in the same place - on the Crofting Register.

Ans: There was no intention to register all burdens but there is provision for the keeper to change this if necessary.

Crofters should not need to look elsewhere for interests that go with their croft - which is on the Crofting Register.

Crofters are being compelled to advertise their registration. This costs a lot of money and for no apparent purpose. The croft registration is notified to all interested parties by the Crofting Commission so why should the crofter need to advertise? SCF has asked the Crofting Law Group and Registers of Scotland and there seems to be no positive reason. Based on current minimum advertising prices this would take £1.8 million out of crofting; it is absurd. Ministerial variation can be used to change this.

5. Affordable housing on croft land

Ronnie MacRae, Highland Small Communities Housing Trust, gave a presentation on affordable housing options (this has been circulated).

HSCHT is working closely with SCF and CWA on woodland crofts. Most small Highland communities are connected to crofts in some way. A booklet on Housing on Croft Land is being produced by HSCHT and SCF.

The reduction in housing completions affects jobs, it is estimated that there are 7FTE per unit. This is causing a gradual loss of skills. There is need for rural trade skills training, apprenticeship type schemes.

People are finding it very difficult to find funding to build houses particularly self-build, so there needs to be innovation in funding options, for example rent/buy, grant and loan (like the CBGLS), long leases etc. The Croft House Grant can be difficult to get and are comparatively very low against the cost of build. The Rural Home Ownership Grant Scheme is currently not funded.

The main issues in rural housing are a lack of lending, especially on self build, the lack of grant assistance, and bureaucracy (local Highland is fine but centralised organisations such as Scottish Water are terrible).

Solutions could include a new rural bank?, Credit unions, public loans / government - bank partnership.

Discussion

The Gairloch project is well worth seeing as a model of co-operation involving landlord, crofters and community.

The booklet SCF and HSCHT are working on is to make it easier to understand how to provide housing within the crofting model.

The Scottish government announced a £200 million under-spend; could this be used to help with CHGS and RHOGS?

HSCHT is not restricted to working within the Highland Council area, it can work anywhere in Highlands and Islands, though is restricted by capacity. Even lowland councils are coming to look at what HSCHT are doing.

SRDP can help with facilitation costs.

Banks withdrawing self-build mortgages is scandalous; the Scottish Government should put pressure on banks. **Agreed.**

Action: CPG to write to appropriate Cabinet Secretary regarding self-build mortgages.

6. CAP Reform Post 2013 – Modelling of scenarios for the regionalisation of the Basic Payment Scheme in Scotland: Implications for the Crofting Counties

Dr Keith Matthews, James Hutton Institute, gave a presentation (this has been circulated).

Discussion:

CAP is moving towards an area-based payment which tends to redistribute (net) from intensive to extensive. This is good for crofting. However, setting a minimum stocking rate could cause areas that have a low stocking density due to land carrying capacity to fall out. There is the fear of 'naked hectares' i.e. large areas meeting GAEC and claiming even though having relatively no stock. A balance needs to be found as many crofters have very low stocking rates as this is appropriate to the environment.

Are the Scottish government looking at soumings? If crofters need to be above a minimum stocking rate it could force them above the souming. What if the souming is lower than the minimum stocking density?

Ans: If a crofter falls below the minimum stocking density, they can appeal. There will be a mechanism to take individual appeals on merit.

The actual payment rates are not known as yet there is no budget fixed.

It is likely that there will be a 7 to 12% coupled support.

In summary, crofters should do well, all scenarios modelled move payments up for crofters.

7. Crofting Community Development

Neil Ross, Highland & Island Enterprise gave a presentation (copy of hand-out attached).

Discussion:

What funding in HIE is there for community renewables?

Ans: Scottish government cover small-scale renewables, HIE concentrate on "enabling" with community projects, especially up to the funding point i.e. up to planning consent (the project development stage).

Does HIE have a budget for crofting development?

Ans: HIE does not have a budget crofting per se. It has a budget of £5 million per annum for community development which includes crofting community development. We support businesses and social enterprises leading to economic growth. HIE does not do crofting development it does crofting community development.

Common grazings are a community, and they have no support. The Welsh assembly put money into development of common grazings, they introduced development officers to get common grazings re-vitalised. Does HIE support common grazings? Would the introduction of development officers on common grazings be a useful initiative for HIE to instigate?

Ans: HIE is not wanting to get involved with common grazings.

How does HIE affect population retention?

Ans: HIE is involved in development projects aimed at freeing up crofts.

Scottish Government, Crofting Commission and HIE need to work together to support crofting.

Who is 'Team Scotland'?

Ans: We all are.

8. Update on SRDP process

Billy MacKenzie, Scottish Government, gave an update on the SRDP development process.

The stage 1 consultation has gone out and will need to be responded to by the end of June.

CCAGS will continue. The current SRDP will roll over to 2014 probably. The transition period is looking positive. We have a question with the European Commission concerning capital expenditure, this may necessitate CCAGS capital applications needing to come in 2013.

At what point do we tell crofters to put in applications for capital expenditure?

Ans: There will be a Scottish government meeting soon to determine this and you will be notified.

SLE is not happy with the paper that was ratified by this group.

Ans: SLE participated in the group that produced the paper.

It is hoped that the SRDP design process will take into account that there has been discontent over the assessment of crofting applications, they have been non-consistent across crofting areas. Sometimes it just seems to depend on the whim of an individual Scottish Government officer. There needs to be clear criteria and guidelines, and a route of appeal.

Ans: If an applicant thinks they have had a poor decision they can take it higher.

If there is an underspend on CCAGS is this carried over?

Ans: Scottish government money is not carried over but European money can be. Every year CCAGS has an underspend so crofters should always be encouraged to use it.

9. AOB

- can secretary send the presentation given by Gwyn Jones again please?

Action: secretary to email Gwyn Jones' presentation.

10. DONM

Thursday 26th September evening (chosen to be the day before the Crofting Law Group conference).