

CROSS-PARTY GROUP on CROFTING

Meeting 19 of Parliamentary Session 5

Great Glen House, Inverness

Friday 29 March, 11.00

MINUTES

Present:

Alasdair Allan MSP ⁱ (Convener)	Bill Barron CC
Patrick Krause SCF (Secretary)	Rhona Elrick RoS
Rhoda Grant MSP	Heather Mack CC
Finlay Matheson SCF	Jacqueline MacBean CC
Ian W NFUS	Anne Campbell CALLP;
Barney MacAskill NFUS	Jean Urquhart
Maria de la Torre SNH	Christopher Dickson CC
Eleanor Garty WTS	Rod Mackenzie CC
Brendan O'Hanrahan SCF	Mairi MacKenzie CC
Neil Ross HIE	Michael Nugent SG (VC)
Andrew MacKinnon BBC	John Kerr SG (VC)
Maree Nicolson BBC	Murdo MacKay CnES (VC)
James McPherson SCF	

1. Welcome and Apologies

The convener welcomed everyone and thanked CC for hosting the meeting.

Apologies were received from:

Yvonne White SCF; Russell Smith SCF; Fiona Mandeville SCF; Donald MacKinnon SCF; Robin Haig SCF; Tavish Scott MSP; Gordon Jackson SG; Siobhan MacDonald SAC; Jamie McIntyre WCP; Ross McLaren SCRG; Gail Ross MSP; Emma Harper MSP; John Scott MSP; Billy Neilson CC; Yvonne White SCF; Liz Barron-Majerik LANTRA Scotland; Murray McCheyne SLE; Edward Mountain MSP; Janette Sutherland SAC; Donald Crichton CnES; John Finnie MSP; Angus MacDonald MSP; Graeme Dey MSP; Rosemary Champion SHS; Lucy Sumsion NFUS; Sandy Murray NFUS; Pete Ritchie Nourish Scotland; Stephen Leask SIC; Richard Frew RoS; Donald Cameron MSP; Brian Inkster CLG; Malcolm Mathieson CC.

2. Minutes of previous meeting

The minutes of the previous meeting held on 30 January were approved.

3. Matters Arising

Re. 8.3: A Grazings Committee is an unincorporated association. Rather than trying to change the legal standing, they could get liability insurance now. Community councils have done this.

Comment (CC): This is an interesting point; we will look into it. It needs to be brought back to a future meeting.

4. Crofting Development: Croft woodlands

Eleanor Garty, WTS, gave an update on the Croft Woodlands Project.

The Croft Woodland Project was launched in 2015 dealing with planning and delivery of all scales of woodland. Crofter forestry had been falling and Forestry Commission Scotland looked at this. Woodland was still seen as landlord assets, finance was limited and crofters naturally tend to be risk averse.

The Project is a partnership between Woodland Trust Scotland, Scottish Crofting Federation, Scottish Forestry, Point and Sandwick Trust, Coigach & Assynt Living Landscapes, Argyll Small Woods Cooperative, Shetland Amenity Trust, Orkney Woodland Project and Highland Small Communities Housing Trust. It is funded by Woodland Trust, Scottish Forestry, Point and Sandwick Trust and the Heritage Lottery Fund.

The project's core function is to give advice for the establishment of new woodland on croft land including advice on location, species, protection, tree management and a cash flow forecast is developed. The project helps the applicant to obtain funding through the Forestry Grant Scheme (FGS) mainly but also micro-projects (MOREwoods and MOREhedges) for small-scale woodland and hedges may be funded in part by WTS.

The project provides training, engagement and support. We have produced an updated version of the Croft Woodland Handbook and will be holding a conference on croft woodland in Boat of Garten on 9th and 10th May.

Project outputs to date include:

600 site assessments; 40% progressed to schemes

78 FGS applications - 704ha

146 MOREWoods - 61ha

25 hedgerows - 791m

25 training courses - 440 trainees

Interest in the project has risen exponentially, there is lots of unfulfilled potential.

Roundtable discussion:

Question: Is the training accredited?

Answer: No it is practical training, mostly through the SCF Skills Boost programme.

Question: Are there tensions in crofting communities about where trees are planted?

Answer: These are small scale schemes, shelter belts et cetera not whole Croft planting, so no, no tensions. The average size is 9 ha for the FGS projects and 0.4 ha average for MOREwoods projects.

Comment: We are looking at 30 ha of woodland on common grazings, about 10 ha of that is already planted, so, smallish. This will take 2-2.5 km perimeter fence. This is very expensive to do. Without WTS Croft woodland would be impossible. There needs to be more funding for this project to help crofters and crofting communities.

Comment: You used to be able to assign the grant to a third person (contractor) but now the grant has to go to the applicant, so there is more risk. There is always a cash flow issue - doing, paying, claiming.

Answer: You used to have to do the work and then claim, now you can claim quicker and claims are turned around faster, but yes it is still a problem.

Comment: There is a huge interest in planting trees on croft land and this project is very positive. Small woodlands are a very good model that do not compete with wildlife habitats.

Question: What is the level of monitoring under the FGS?

Answer: Forestry Commission Scotland inspect after one year and then again after five years. It is about giving advice, prevention is better than rectification.

5. Crofting Development: Local Abattoirs

Bob Kennard, Sustainable Food Trust, gave an update on the Campaign for Local Abattoirs.

The lack of local abattoirs is a UK problem. This led to the SFT and craft trade butchers setting up the Campaign for Local Abattoirs which aims to lobby the UK government to get this issue on top of the political agenda.

The definition includes being local to where you are, processing less than 5000 LU/year and taking small numbers of Private kill. We are waiting to hear from FSS the figures on how many local abattoirs there are in Scotland; they used to be around 200 and now we think it is down to about 10.

The problem arose partly because the price the hides and skins plummeted. This used to pay for slaughter, now you get nothing for them or it is even an additional cost. Dealing with waste is always an issue. Inspections / bureaucracy are over the top. It is difficult processing small batches as every batch needs a pile of paperwork. Also a qualified vet must be present anti and post mortem, a very high cost especially for small numbers of animals, i.e. cost per animal.

Progress is being made; Bob read out a statement received from Defra:

"The Government acknowledges the role small abattoirs play in local economies; in particular by meeting the needs of local producers, by providing access to local slaughtering facilities, and by meeting the needs of local food businesses which very often rely on small abattoirs to supply them.

Defra officials are working alongside Sustainable Food Trust and the Food Standards Agency (FSA), as well as a number of industry stakeholders, to ensure our small abattoirs have the best chance going forward. The group is taking forward a joint action plan, which includes looking at opportunities to reduce the burden on small abattoirs in terms of managing disposal of animal by-products. The FSA is working with industry to look at ways of using existing flexibilities in regulation. We will not compromise on public health or animal health and welfare.

Delivery of a new multi-species livestock movement service based on proven modern technology will simplify the systems and processes with which the meat and livestock sector engages, while maintaining interoperability with equivalent services across the Devolved Administrations. Under the leadership of AHDB, with expert industry consultants and through an independent stakeholder group, the Traceability Design User Group (TDUG), on which abattoirs and meat processors are represented by trade association representatives Nick Allen and Norman Bagley; the Livestock Information Programme is a true government/industry collaboration to develop the most effective solutions that address current challenges and inspire innovation in the marketplace to increase productivity, efficiency and animal health & welfare in England, while enabling UK trade to thrive.

Government encourages the highest possible standards of animal welfare at the time of slaughter and would prefer to see animals slaughtered as close as possible to the point of production. However, we cannot influence farmers on where they choose to send their livestock for slaughter, because this is a personal choice and is dictated by ease of access and costs."

The Welsh administration have made £1M available to help small abattoirs. England and Scotland need support from their administrations. We look at it as a public good – small abattoirs catalyse a 'food hub' – local food, local shops, café / restaurant etc.

Roundtable discussion:

Comment (SG): SG has recently tendered for research to be carried out to determine the feasibility of mobile abattoirs operating in Scotland.

Comment (Skye abattoir): We are sceptical about this as it was ruled out as a solution for Skye in a previous study in 2005, but we will contribute our views to the study and see if our existing plans can be adapted to provide the necessary 'docking station' for a mobile unit. It needs to be understood that the docking station requires extensive facilities, such as lairage, waste disposal, an office for the official veterinarian, and, most important, chill rooms. A

carcass must be chilled at least down to five degrees C before it can be taken away from any abattoir, then it requires further chilled hanging for up to four weeks before it reaches maturity. So a mobile abattoir is not the simple answer it might at first appear. A lot of people don't fully understand what a mobile abattoir is. At the most it consists of a slaughter hall, which may or may not be able to deal with pigs and horned cattle, and a primary chill.

Answer (SG): This may be so, however, the research will identify whether this is a viable option.

Comment (Bob): Early studies were not keen on mobile abattoirs but there is more interest now; it's about economic viability we have also been looking at this in England.

Question: Who is it in SG who deals with this?

Answer: Food safety is a devolved matter. Food Standard Scotland (FSS) are the lead on this matter. Within SG Derek Wilson heads livestock policy.

Comment: It would be good to get them to a future meeting. **Agreed.**

Question: What was the Welsh government grant for?

Answer (Bob): It was to support small abattoirs, a subsidy to keep them going. I would need to get more information from the Welsh government but my understanding is it was a capital grant not revenue.

Answer (SG, post-meeting): £1.1 million fund was announced by the Welsh Government on 22 March 2018 to aid medium and small abattoirs to make changes to infrastructure for animal welfare purposes - <https://gov.wales/written-statement-animal-welfare-food-chain> . While not solely focussed on helping with CCTV costs, it attracted criticism from the Welsh industry as being a precursor to compulsory CCTV in Welsh slaughterhouses - <https://www.bbc.co.uk/news/uk-wales-43652275> .

SG is aware that the introduction of mandatory CCTV will come at a cost to business, and requested views on whether smaller businesses should be assisted from public funds to comply with the new obligation that will be introduced. SG is currently investigating the issue of financial support to smaller slaughterhouses, and any announcement will be made in due course.

Comment: Research shows problems with economic viability of smaller abattoirs; SG needs to look at this.

Question: Is there enough interest from consumers?

Answer: Market research for the potential Skye abattoir showed lots of consumer support.

Action: Sec to invite Derek Wilson and someone from FSS to a future meeting.

6. Crofting Administration

Bill Barron, CC, gave an update on Commission business.

Bill invited CPG members to let him know if they had views about the type of information they would like to hear from his Crofting Commission updates. He could cover most issues apart from individual regulatory cases, and planned to highlight two or three topical issues each time rather than try to cover the whole range of the Commission's work.

He paid tribute to Donna Smith, who had left the Crofting Commission the previous day, after 8 years in which she had made a very considerable contribution across many aspects of the Commission's work, for the last 3 years as Deputy CEO.

Bill reported that the Commission had given a lot of thought to the role of the assessors, of whom there are currently 22. Whereas once assessors would have been asked to give local insight into individual regulatory applications, they no longer do this. Instead, assessors' primary role is to assist with the Commission's task of promoting crofting, by being a sounding board for commissioners and ensuring that their understanding of crofting issues is broadly based. Assessors are also knowledgeable crofters, able to give informal advice to other crofters locally.

Commissioners, assessors and senior staff had had a very successful gathering the previous week, at which this revised role had been confirmed. In addition, a small number of assessors had volunteered to help with particular pieces of work, especially the 'Phase 2' thinking about the long term future of crofting legislation, and the residency and land use work – in which it was hoped to involve assessors in particular localities to begin to tackle, with appropriate sensitivity, the issue of resident crofters who were not using their land.

At its recent Board meeting, the Commission had discussed how to be fully approachable and how to make more headway in breaking down the level of misunderstanding that still persisted about aspects of the Commission's role. The Board had confirmed its intention to have a formal presence at 5 agricultural shows this summer (Lewis, Shetland, Argyll, Black Isle Show and Portree), an increase from 3 last year; and in selected other locations to continue with the format of public meetings preceded by bookable surgeries. Meantime, communication channels such as the website and social media would be used to share more information about the Commission and its regulatory processes.

Roundtable discussion:

Question: How does the occupancy initiative work?

Answer: Carefully and sympathetically. It is not a stick, but rather a carrot approach. Sublets are not used as much as they could be due to ungrounded fears that somehow the land will be lost. Commissioners will go out more with a positive message.

Question: What is the current time for response from the CC? The email auto-response was saying 21 or 28 days?

Answer: We are working hard to bring the backlog down, which has been achieved in that we are working close to normally now (there is always a small backlog). The initial response may seem slow as we now make sure that all the preparatory work is done before going back to the applicant.

Comment: The sublet solution does not seem to be getting land back into use. There is still a fear that a using a sublet will lose the land forever, so any work done on this is welcome. Also improvements on sub-let's still needs to be sorted out – i.e. there should be compensation for improvements.

Answer: The rent and compensation for improvements has to be agreed between the sub-let tenant and the principle tenant.

Comment: Crofting is very people-centred.

Answer: CC is very aware of the human aspect.

7. Crofting Support

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

CHGS: In the last financial year there have been 42 approved applications (74% approval); this equates to £1.36M. So far in March we have 15 applications, 12 of which are eligible. The next tranche is 01 June. There has been a review of CHGS – SCF was present for a meeting to discuss this. This scheme will be publicised more – e.g. SG officials will attend an SCF meeting in Skye.

CAGS: There have been 503 approved applications (82% approval), equating to £3.2M.

BPS: SAF opened on 19 March – on time.

LFASS: Loan offer letters have been issued and a majority has come back accepting the loan. Legislation to pay LFASS is going through Scottish Parliament.

Other: The Bew review is taking evidence on convergence payments.

Round-table discussion:

Question: Has the rate been decided for the Beef Calf Scheme and when will it be paid?

Answer (provided post-meeting): The payment rate is £48/ha. The hectares for each business is individually calculated based on the number of reference animals at the point of application. Each participant's contract sets out the payment area. Payments for the 2018 scheme year are due to commence in July 2019.

Question: There is a commitment to make up the 20% of LFASS lost; how will this happen?

Answer: Firstly the source of funding will be identified to not be in breach of EU regulations; then, when this is concrete, the Cabinet Secretary will make an announcement narrowing down options. The main constraint is that the payment must be very different from LFASS in order to not be seen as circumventing the EC directive.

Question: Why are 26% of CHGS applications not approved?

Answer: some applicants are not crofters, or the land is not croft land, or the application is too big and so on, a myriad of reasons which generally are simply about the applicant having not read the eligibility guidelines. The reasons will be published in the annual report.

Question: Why can a crofter not run a business from their house?

Answer: They can, but they cannot have a CHGS grant on a building that is a business base – this is a residential grant.

Question: Where do you draw the line?

Answer: Each application is assessed and it is really common sense.

Question: what is the budget for CAGS?

Answer: £12M to the end of 2020. About £8M has been spent up to now.

Question: Is there a low uptake?

Answer: Each year there is around £3.5 budgeted and it is over-subscribed, but never refused if eligible.

Comment: If SG paid the contractor under CAGS it would help the crofter's cash-flow. This is common to many grants in fact.

Answer: This will be considered.

Comment: AECS is open until end of March.

8. AOB

Question: Is there going to be a meeting of the SGCSF soon to discuss the NDPC?

Answer: If stakeholders want a meeting this can be organised. We are currently working on the NDPC. Perhaps a meeting on the back of another, such as the CPGoC.

9. DONM.

22 May, Scottish Parliament.

[Sec note: this date was postponed to 18 June due to European elections]

i Acronyms: AECS Agri-Environment Climate Scheme; AF Assynt Foundation; CAB Citizens Advice Bureau; CALLP Coigach & Assynt Living Landscape Partnership; 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; GFN Good Food Nation; 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; NFUS National Farmers Union Scotland; NGMRG National Goose Management Review Group; NISR Newcastle Institute for Social Renewal; NRMHF National Rural Mental Health Forum; 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; SHS Small-Holder Scotland; 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; THC The Highland Council; UHI University of Highlands and Islands; WCP Woodland Crofts Partnership; WTS Woodland Trust Scotland.