

Cross-Party Group on Crofting

17th November 2021 18.00

Minutes

Present

MSPs

Edward Mountain MSP (Chair)
Alasdair Allan MSP
Ariane Burgess MSP
Donald Cameron MSP

Invited guests

Mairi Gougeon Cabinet Secretary for Rural Affairs and Islands
Malcolm Mathieson Crofting Commission Convener

Non-MSP Group Members

Patrick Krause (secretary)
Eleanor Arthur
Ashley Atkins
David Atkinson
Liz Barron-Majerik
Conor Beaton
Donald Bruce
David Campbell
Abigail Campbell
Rosemary Champion
Patricia Clark
Andrew Connon
Douglas Coulter
Donald Crichton
Maria de la Torre
Bill Dundas
David Findlay
Jonathan Hedges
Andrew Holt
Brian Inkster
Gordon Jackson
Ross Lilley
Barney MacAskill
Marcus MacDonald
Siobhan Macdonald

Allison MacIntosh
John A. Maciver
Iain Maciver
Murdo Mackay
Rod Mackenzie
Fiona Mackenzie
Mairi Mackenzie
Donald MacKinnon
Finlay MacLennan
John N Macleod
Jessie MacNeil
Michael MacNeil
Fiona Mandeville
John Maughan
Murray McCheyne
Jamie McIntyre
James McPherson
Donald Meek
Rhianna Montgomery
Beatrice Morrice
David Muir
Alexander Murray
Michael Nugent
Klara Pehalova
Aileen Rore

Neil Ross
Zoe Russell
Mark Shucksmith
David Skene
Russell Smith
Lucy Sumsion
Darren Taylor

John Toal
Iain Turnbull
Ian Wilson
Gordon Murray
Patricia Clark

Apologies

Donald Murdie
Jenni Minto MSP
Malcolm Burr
Janette Sutherland
Bill Barron
Richard Frew
Leanne Townsend
Stephen Leask
Jim McPherson

Miranda Geelhoed
Yvonne White
Beatrice Wishart MSP
Rhoda Grant MSP
Eilidh Ross
Iona Hyde

Agenda item 1

Welcome and apologies

Apologies were received from:

Donald Murdie; Jenni Minto MSP; Malcolm Burr; Janette Sutherland; Bill Barron; Richard Frew; Leanne Townsend; Stephen Leask; Jim McPherson; Miranda Geelhoed; Yvonne White; Beatrice Wishart MSP; Rhoda Grant MSP; Eilidh Ross; Iona Hyde.

Agenda item 2

Cabinet Secretary for Rural Affairs and Islands Mairi Gougeon

The cabinet secretary gave opening remarks. The main points included:

- Commitment of SG to crofting and recognition of importance of crofting to rural development and cohesion of rural communities in Highlands and Islands.
- Crofting Commission development officers implementing the National Development Plan for Crofting, working to bring inactive crofts back into use and create opportunities for new entrants.
- 2019-2020 over 830 new entrants to crofting, 44% women, 32% aged 40 or under.
- Reiterated, as said at SCF AGM, SG takes control of geese seriously – especially regards Greylags in the Uists. Happy to meet with SCF, along with Minister for Environment Mairi McAllan, to discuss further.

- SG is committed to reforming crofting law; will continue to engage with stakeholders on what areas need to be addressed, which is known, and how to address them – consensus sought. SG will liaise with CC on what reforms are needed to allow CC to discharge its functions.
- Agriculture policy beyond CAP, there will be tough decisions but also opportunities to become a global leader in sustainable and regenerative agriculture, which will be heart of agriculture support regime 2025 on.

Discussion

Question: COP26 had issues on methane production, linked to livestock and peatland restoration. We need livestock and active crofters to maintain crofting communities. What is SG reaction to COP26 to protect crofting in this discussion?

Answer: SG is committed to supporting active farming and crofting, livestock being critical to maintaining food production, as well as reducing emissions and enhance biodiversity. Local processing, e.g. mobile abattoirs, critical so will be addressed.

Question: regarding crofting being vital to community sustainability:

1. crofting legislation reform is essential, what are plans for acceleration of a crofting bill?
2. Will islands impact assessment be taken into account before funding for control of greylag geese is withdrawn?
3. budget underspend on CHGS, not carried over apparently? Will you consider doing so to meet increased costs of building; and previous commitment by SG to reintroduce loan element?

Answer: I **will follow up** on impact assessment and get back to CPGoC – I understand the importance of goose control in Uists following my visit there.

Crofting law reform wasn't in PFG, which is largely the programme for the year, but crofting law reform is not off the agenda – we have committed to this in our manifesto and fully intend for it to happen in this parliamentary term. There are also things that can be done without legislation. **Will keep CPGoC informed** on progress.

If there is an underspend on the grant scheme, happy to look into this as want to spend committed funds, and **will report back** having looked at how the loan scheme worked before.

Comment: Glad to hear commitment to goose management. A recent count on Uists found 8000 birds, an increase of 20% over same time last year. This affects cultivation of machair – renowned for biodiversity and carbon capture – both COP26 themes.

Answer: I fully appreciate the importance of this and reiterate commitment to **meet with SCF** to discuss.

Question: Can you give an indication of when crofting law reform process will begin?

Answer: I can't give timeline yet but plan to do this well so that it is completed within the parliamentary session, not rushed. I **will get back** with a timeline when finalised.

Comment: need to emphasise urgency of law reform – the failing of the current system are being exploited. A lot of work has been done and consensus reached, including The Sump which we hope will form the basis of law reform.

Comment: The Cabinet Secretary, in her previous role as an MSP, was on the RECC which looked closely at crofting law reform so she understands it well, and she signed up to the demands on SG to take this forward.

Answer: we are not starting from scratch – a lot of important work has been done. I **will come back** on the question of reforming the Crofting Bill Group.

Comment: Need to review the level of house grant as cost of building has gone through the roof. Also need to stop local authorities selling croft tenancies to pay for care charges – this is not helping get young folk into crofting as tenancies are sold at too high a price.

Answer: it is the prerogative of local authorities. The CPGoC looked at this issue recently. All 5 LAs take the view that crofts and croft tenancies have a value that may need to be realised to cover care costs.

Question: going back to methane – livestock are being pointed at but the oil and gas industry lose a lot of methane to the atmosphere from leaks which they deem too expensive to fix. Is SG going to protect crofting by telling the oil and gas industry to fix their leaks first?

Answer: yes absolutely, there is a need to stop any pipeline leaks. We will also look at methods of reducing methane emissions from livestock though diet; SG is committed to not reducing livestock numbers but reducing methane emissions though a number of ways.

Question: Scottish Government is the largest owner of forests in Scotland, managed on its behalf by Forestry & Land Scotland. What are the prospects FLS might create woodland crofts directly, as well as releasing land for communities to do so?

Answer: yes definitely something we need to consider.

Question: The National Development Plan for Crofting commits to reforming the Crofting Agriculture Grant Scheme (CAGS) – is there a timescale for this? and can the Sustainable Agriculture Capital Grants Scheme (SACGS) have an element specifically for crofts – it seemed aimed at farms?

Answer: CAGS is being reviewed and an official **will get back** to CPGoC on progress, and will take that feedback on SACGS as we develop the next phase.

Comment: All need to know a detailed plan and timing for crofting law reform – reconvening groups, using The Sump etc. Also a lot of uncertainty around agriculture support, so reporting back to this group on a regular basis essential please.

Answer: point noted re crofting law reform, and to add on agriculture policy development we have the stakeholder oversight board which will also **report back to this group**.

Thanks to Cabinet Secretary.

**Action: SG official to come back with information (highlighted).
Cab Sec, Minister for Environment and NS to meet with SCF regarding goose control.**

Agenda item 3

Minutes of the last meeting

Agreed

Agenda item 4

Matters Arising

None

Agenda item 5

Crofting administration

Crofting Commission's convener Malcolm Mathieson gave an update on the work of the commission, progress made in Regulation and Land Use, and steps taken following the audit. The main points included:

- Bill Barron sends his apologies – a family bereavement prevents attendance.
- Section 22 Deloitte report presented to parliament in October and SP audit committee met with Auditor General and Deloitte to go through the report. Bill Barron and Malcolm Matheson will also meet with audit committee on 02 December.
- There were 41 recommendations in the report and the CC have completed 31 of the recommendations. Of those remaining most close to completion and should complete key ones in next couple of months.
- The revised Framework Agreement – how the CC operates – has been agreed by the CC board and SG sponsor division, and awaiting approval of appropriate SG department. This was a key recommendation and well through, just needing rubber stamping. Clearly lays out governance structure.
- Another key recommendation was for CC to organise an independent review of man-power requirements and its structure. The final report has been received, shared with SG sponsor division and CC board and will be discussed at December board meeting and will then become public document.

- An update on the backlog (regulatory applications) – has increased since end of October, causing concern. The CC has lost experienced staff over last 3-4 months, primarily most experienced staff moving to European Structural Fund in Inverness for promotion. We are recruiting at appropriate level, but difficult to find those with experience, so needs a long training process. So we are moving experience staff from other parts of CC to deal with regulatory backlog. The online application system should also make a big difference and, following considerable testing, is to go live in early 2022.
- Commissioner elections will take place in March 2022 and there is information on the CC website and there will be open sessions in December and January to explain the process.

Discussion

Question: Can you confirm that the Crofting Commission's work on residency and land use is continuing at the same level and indeed will be increased?

Answer: This is an operational question which would be for Bill to answer – he **will come back on this**. The CC board has as a strategic objective to return crofts to use and will support the operational team in doing this.

Question: Cab Sec has said that crofting law reform will take place, what is CC doing to identify their priorities for reform?

Answer: the board was involved in the reform of crofting law until it was stopped in the last session, so the new board will be involved when it is restarted. Information from current board will be passed to new board and it is assumed they will take forward the priorities identified by this board.

Question: As mentioned, a strategic objective is to get crofts back into active use – the task of the Regulation And Land Use (RALU) team; are staff from RALU being seconded to deal with the regulatory backlog?

Answer: This **will be answered** by Bill. There are still the same number of people in the RALU team, but whether they are the same people or some have been moved, I don't know.

Chair recorded condolences to Bill regarding family bereavement.

Action: Bill Barron to come back with information (highlighted).

Agenda item 6

Any Other Business

Comment: In the new agriculture regime, stocking rates could make crofting difficult.

Question: Are there any views on the deal the UK Government is striking with Australia and New Zealand regarding meat imports?

Comment: NFUS has published farmers' concerns and can share their report on this with the group.

Comment: Many crofting areas have huge areas of peatland. Peatland restoration could impact on crofting, on the keeping of livestock, and if carbon credits associated with peatland become a saleable commodity this could exacerbate flooding of grazing areas. This is something we have to be aware of and there might be the need to legislate to protect crofting.

Comment: Agreed. Carbon credits for land, and associated destocking, regeneration, forestry – tree planting, companies outwith the agriculture business wanting to buy carbon credits to offset their emissions – this is morally wrong. Who has the right to the carbon on common grazings? Government needs to look closely at control of carbon credits as this could have very detrimental effects on farming and crofting, we all need to lobby government.

Comment: We could have this very important topic as an agenda item for the next meeting, invite someone from Peatland Action and the Peatland Code to speak?

Comment: the question re trading in carbon credits on peatland will raise the question as to who owns the rights landlord or crofter?

Comment: Carbon will be treated as any other asset in schemes for development on croft land. Landlords will need to come to some agreement with shareholders of common grazings. Yes it is very important to discuss this and have it as an agenda item. There answers are already there, we need to formulate them.

Question: Going back to trade deals, is it more environmentally sound to import meat that has come from the other side of the world? What studies have been done on this and comparison of grazing our livestock to not grazing? If land is not grazed the increased organic matter decays anyway, releasing carbon and methane.

Comment: And where do deer fit in to the equation?

Comment: The carbon credits question raises another issue, that of Scottish land or carbon being sold off to those outwith Scotland. It is of great concern that more of Scotland is being sold to 'untouchable landlords'. There are also potential problems coming from inactive shareholders who are quite happy to sell off carbon credits even if it curtails grazings. Are we agreed this should be an agenda item?

No dissent, therefore **Agreed**.

Comment: There are no restrictions on who can buy land in Scotland, or how much land they buy. However, SG have policy on carbon trading and there may be restrictions on who can buy carbon credits – the intent was to offset our own emissions, not someone else's in another country. A lot of land owners and managers are being approached already; we must not rush into this without knowledge as they could be sold off far too cheaply. Perhaps selling credits for a limited period (lease) would be fairer. SG will be trying to decide, this being a feature of future rural policy, part of

'natural capital' assets. Also, 80% of Scotland's peat is damaged; there is no way the £250M NS have can solve this problem, so we do need private finance, which can be an opportunity for land managers. We need to learn more.

Comment: A paper on peatland restoration, carbon credits and common grazings was presented to the CC board meeting 18 March 2021 and is publically available from the CC website at:

https://www.crofting.scotland.gov.uk/userfiles/file/board_meetings/board_papers/public-board-papers-for-18-march-2021.pdf (paper 11, starting page 60).

There are opportunities for crofters, but it has to be structured correctly. For example, carbon credits from peatland restoration have to be validated under the Peatland Code.

Comment: Crofting is a regulated system so the point about absentees raised earlier is a matter for effective regulation. We should all be very concerned about what the CC is doing for regulation and land use. This group needs to say the SG that the CC needs to be properly funded.

Action: invite speakers for carbon credits item on next meeting's agenda.

Agenda item 7

Date Of Next Meeting

23 February 2022