

## **SCF response to 'Stability and Simplicity: proposals for a rural funding transition period', Scottish Government consultation**

The Scottish Crofting Federation (SCF) is the only organisation solely dedicated to campaigning for crofters and fighting for the future of crofting. SCF is the largest association of small-scale food producers in the UK. Its mission is to safeguard and promote the rights, livelihoods and culture of crofters and their communities.

Working through its membership structure it can respond authoritatively to agencies and government officials at local, national and international levels on the many issues affecting crofting and crofting communities.

Thank you for the opportunity to respond to this important set of proposals for a way forward in the event of a transition period if the UK leaves the European Union and the CAP. Many of these issues are relevant whether there is a transition period or not but are imperative due to the uncertainties about the UK withdrawal. The opportunity to consider how agriculture and rural development are supported in Scotland is welcome.

In discussions on this document, some givens have emerged:

- We do not assume that there will be agreement and therefore a period of transition; we have to be prepared for exit from Europe with no special agreement and therefore default to WTO rules.
- Crofters and farmers work to a 10 year plan, not five.
- Investment of resources in the current IT system, and its complexity / vulnerability, makes sudden big changes unlikely.
- There is not enough clear data on crofts – there is still no identifier on the SAF.
- As UK withdrawal unfolds changes will be needed – it is not a tablet of stone.
- Food security is a primary issue, especially with a no-agreement possibility.

SCF is a partner in the Woodland Croft Partnership (a partnership between the Scottish Crofting Federation, Highland Small Communities Housing Trust and the Community Woodland Association) so our response to questions concerning woodland crofts, tree planting and woodland management concur with the responses submitted on behalf of the partnership and by partner organisations.

SCF broadly agrees with the consultation response submitted by the Crofting Commission and urges Scottish Government to consider the findings and proposals within the 'Support for Crofting' report.

As an organisation committed to the values and intentions of the Women in Agriculture initiative, we would like to see the gender composition of advisory groups such as the Agriculture Champions being equal.

We have endeavoured to make our answers to the questions clear but would be very happy to meet with officials to discuss any of the points made in this consultation response.

## **Basic Payments Scheme (Pillar 1)**

**Question 1: Do you agree with the stability approach described here? Please provide comments.**

The problem with a 'stability' approach is that inequitable and poor public-value aspects of the current regime remain in place in the name of stability (as we have seen in past opportunities for change). We need change with a redistribution of public funding towards areas that provide more public goods – High Nature Value areas for example.

LFASS has been used to pay higher rates to farmers on better quality land; despite this being clearly not the intention of the scheme, and having been criticised by eminent bodies such as the Royal Society of Edinburgh (and the European Commission it is understood) this mechanism has continued, and will continue, in the name of 'stability'.

Certainty is more important than stability, which seems to be an aspiration; certainty that minimums will be met and certainty that change is being planned. SG not very good at planning ahead - e.g. ANC has been known about for many years so the 'sudden' possibility of LFASS being reduced to 20% in a year's time is a shock and SG have no plan communicated.

**Question 2: How might the annual application process for direct payments be adjusted to deliver with a lighter touch for those with little year-on-year change in their business?**

Tiny changes in areas claimed on – adjustments of tolerances used by officials, for example - cause many errors in on-line applications, which causes delays and potential penalties for applicants. A system to rationalise this would help.

Compulsory on-line application is still a problem for many who do not use computers or because of connectivity problems. Paper forms are still supposed to be acceptable but are not issued early enough.

If there are no changes to the SAF it should just require a signature.

More investigation of the real situation needed – get officials and applicants together on a croft.

Get rid of any links to historic claims and entitlements – claims should only relate to the actual current situation of the enterprise.

**Question 3: Are there operational changes in our delivery of Direct Payments that you would like the Government to consider during the transition period?**

As above and:

Pay the full amount in time and provide clear labelling of payments so that producers know what payment they are receiving in the bank and can check that it is correct. This is essential for cash-flow planning and proper accounting.

**Question 4: Do you support the continuation of some or all CAP rules on inspections and compliance during the transition period, bearing in mind that Scotland will still need to comply with the rules of the World Trade Organisation (WTO)?**

Aim for minimum requirements to comply with WTO. Scotland needs to sell its produce as a 'good food nation'.

No low quality imports (imports must comply with the same standards as Scottish produce).

Inspections and compliance are needed - they are a foundation of high quality, provenance niche markets that Scotland will depend on - but they must be proportional in frequency and possible penalty.

**Question 5: Do you have any suggestions for straightforward changes that would improve the environmental outcomes achieved through greening payments in Pillar 1?**

Greening is not an issue for most crofters as they are green in practice; we must not lose this payment for maintenance of good practice.

**Question 6: Considering how funding is currently distributed across CAP schemes, do you have initial views about how the balance between these schemes should change in future to maximise outcomes?**

Redistribute funding between what we presently call Pillar 1 and Pillar 2 – i.e. more money for SRDP schemes that provide environmental outcomes, public goods and maintain the fabric of rural communities. SRDP schemes need to be available, appropriate and easy to access for small units.

The Scottish Upland Sheep Support Scheme (SUSSS) was announced as the 'top-up' mechanism for producers on rough grazing (mostly crofters) who get an appallingly low payment on Region 3 land, yet it appears to do little to help those it was intended for, whilst providing an extra to large farms who use this scheme as a loop-hole to more payment. This has been raised many times and yet this consultation says nothing about it.

Increase funding for new entrants – it has recently been announced that, as the new entrants capital grant scheme has been so successful, it is to be discontinued. Tackling land abandonment, which is linked to demographics and bringing in new entrants are connected and essential; consider incentives for retirement and a 'coupling programme' – retiring crofter paired up with possible new entrant.

Sustainability of production is the priority.

Support for more agroforestry / woodland grazing for units of all sizes.

**Question 7: Do you agree that changes to capping are a useful measure to enhance the positive social and environmental impact of agricultural policy?**

Yes, but a mechanism is needed to prevent splitting larger businesses (higher recipients) into smaller affiliated businesses. Food security has to be the primary objective.

**Question 8: Do you have any specific views on how capping should work including what a maximum cap should be?**

£100k cap for any one business, and degressive payments with a higher rate of payment for the first 100ha.

**Question 9: Should there be a maximum cap on the total funding a business receives from all schemes, or a scheme-by-scheme approach?**

Capping should be on basic payments, not on schemes that target public money to produce a required outcome (to meet SG policy targets). Change the proportion of P1:P2 (basic payments : rural development schemes).

**Question 10: How can the aims of LFASS be better achieved/would you prefer to see alternative methods of providing support?**

Paying higher rates to those with least disadvantage is against the aims of the scheme and is unsustainable. Short term mitigation and an ANC type of scheme in the long term is essential – i.e. payments based on the level of constraint.

The scheme is over-complex in its current form which hides the inequitable nature of its operation; it needs to be simplified and transparent.

March payment is very helpful to cash-flow.

20% (and possible subsequent 80%) shortfall needs to be used for peripheral, constrained areas; e.g. supporting remote and fragile areas through subsidised ferries and supporting marts – pay the levy on sales.

We urge Scottish Government to take into account the 'Post-Brexit Implications for Agriculture & Associated Land Use in the Highlands and Islands' report to the Highlands & Islands Agriculture Support Group.

**Question 11: Would you see value in directing future LFA support through other existing Direct Payment Schemes?**

We have seen no evidence to show if this would work but it is unlikely. The scheme should be designed to clearly compensate only those areas with natural constraints, including difficulties in reaching markets, in order to meet policy objectives concerning environmental management, population retention and so on.

**Question 12: Do you think there are administrative and operational simplifications that would benefit current or future LFASS claimants?**

Nobody knows on what basis their LFASS is paid, but claiming is easy enough (and needs to be for new claimants). It needs to be simple enough to be transparent and understandable. It should not be based on historic claims or a theoretical 'income foregone' which has been used to increase payments to those with least disadvantage – i.e. on better land and closer to markets.

**Question 13: Would you support a simplified approach to scheme use of map information or to the land mapping system and, if so, do you have views on where the main opportunities for doing so would lie?**

Yes. Tolerances should be wider; this would cut down on administration, obstruction and over-harsh penalties. Land changes with time so boundaries and areas cannot be static or measured to fine tolerances.

There must be easier ways to adjust a claim e.g. cutting bracken and so increasing claim area. The LMF is a pain – changes could be simply added to SAF. Obstructing claims and using threats of penalty does not encourage land improvement.

Look at penalties – they are often disproportional to the 'offence'.

**Question 14: Do you support the use of regional pilots to help tailor schemes to local circumstances?**

We are open to the idea and would like to see concrete proposals on how regions vary. Interventions of any sort tailored to local circumstances are essential in our opinion – this to include payments for provision of agreed outcomes, support of community-led development initiatives, compensation for constraints, provision of advice and training and so on.

**Question 15: Do you have views on how the inspections regime could be made more efficient while retaining existing public benefits?**

Inspections should be portioned to risk, looking at hazard to human health, hazard to environment etc. Any traceability schemes need to be simple enough that people will use them.

More latitude for extensive systems due to difficulties in gathering and maintaining tags – especially for animals that remain on the holding (low risk and easily traceable).

**Question 16: Do you have views on how the penalty regime – particularly around fairness, transparency, the maintenance of standards and compliance burden – could be improved in the short-term?**

Faster turnarounds on appeals – 18 months is unacceptable.

There is great inconsistency in the application of penalties between local offices – there needs to be consistency.

Appeals are too open to abuse by local offices; an appeal should not be taken by the same office as issued the penalty – need for an Ombudsman?

Proportionality of offence. First offence / subsequent offence – the current regime does not comply with the judicial system which does take into account previous offences. Points system?

**Question 17: Are there specific issues you think the Simplification Task Force should prioritise for review?**

As above and:

The Simplification Task Force must be representative of all sectors of agriculture – i.e. including crofting and hill farming.

**Question 18: Do you agree with the proposals to set a timescale of up to five years for transition? Please provide comments.**

This depends on what changes will be taking place – quantify changes and assess the appropriate timeframe. As soon as changes can be made, they should be made.

It would be sensible to broadly align with the other UK nations.

**Question 19: If new schemes seek to encourage collaboration, enhance skills development, help with capacity building, facilitate wider integration into the supply chain, promote carbon audits and monitoring of the soil health, how might pilot projects be best designed to help test and develop new approaches?**

Rural development professionals are best placed to answer this, including those from outwith Scotland and UK. All development needs to start with a clear objective of what we want Scottish agriculture, rural areas and our food production to look like. Scottish Government has struggled to create a vision but is now well on the way to doing so. When we are clear about what we want to achieve it is then for specialists to design implementation measures to meet targets and agreed outcomes.

A must: new schemes should reflect local conditions and needs; bottom up, locally-led schemes, local rural / agricultural development boards. Inclusive, community-led development always has a far greater success rate.

Ireland (where there are now four locally-led schemes in operation – Burren, Wicklow, Blackstairs and Kerry, with more due to be approved shortly) and the Netherlands, along with other good examples from other nations, are currently leading the way in showing how schemes which take local conditions into account and are at least partially led by farmers in the relevant areas can result in better take-up and outcomes for both the environment and local agriculture. We strongly recommend that the government support study visits to learn more about such schemes - for both officials and producers.

The Scottish food system must be based on high quality, safe, sustainable food production. Local food chains and traceability to include local abattoirs, marts and markets.

**Question 20: Many of the measures described in this consultation will have co-benefits for both agricultural productivity and for reducing Scotland's Greenhouse Gas Emissions. Are there other practical and feasible measures that would have similar co-benefits that you feel should be considered?**

Crofting in itself is diverse and integral to the locality – the health of crofting drives the health of the environment, the community and the local economy. Therefore any measures that benefit crofting also provide these co-benefits.

**Question 21: Do you agree to expanding the number and role of Monitor Farms or similar during the transition period? Do you have any ideas as to how Monitor Farms could be refined or adapted to better meet future needs?**

Create monitor crofts, monitor townships and monitor grazings, including smaller units and diverse uses of land. To encourage crofters to join the scheme there needs to be realistic incentives.

Due to remoteness and therefore large distances to travel, better use could be made of IT to broadcast knowledge.

**Question 22: Do you agree with the proposal to look at moving towards a more performance based approach to compliance, using key performance indicators and better information?**

What is performance to do with compliance? These are two different things. It is fair to ensure that performance above compliance is rewarded. However, it has to be very clear what the objectives are, related to production, environmental management, carbon sequestration, population retention, contribution to local economy and so on. Performance varies according to production system. Some types of agriculture associated with some kinds of habitats are much less conducive to 'results-based' reward or incentive systems, e.g., where crofters or farmers are already managing in a low-intensity manner and the habitats are high-value but low species-diversity (e.g., blanket bogs, some other upland habitats) then it may be more difficult to devise incentive schemes after this model. We have to beware the kind of artificial incentivisation of habitat creation (e.g., species-rich grassland) where concentrating resources on existing examples would be a much more valuable priority. In many crofting situations survival is a resilient production system.

We are not sure how this approach would apply to extensive hill rough grazing systems; this would need to be elaborated upon and any system would need to be designed specifically for desired outcomes from this system, not as an after-thought as is usually the case.

The Beef Efficiency Scheme did not work. Any scheme that is performance-linked, seeking specific outcomes from crofting, needs to be designed for crofting. It doesn't work trying to apply schemes designed for industrial farming to crofting.

**Question 23: Do you have views on the types of indicator that should be used or areas of priority action within the operation of current CAP schemes?**

As above

***Scottish Rural Development Programme (Pillar 2)***

**Question 24: Given the importance of continuity of support for the forestry sector and that the target for new woodland is to increase to 15,000 hectares by 2025, should the current the Forestry Grant Scheme continue broadly in it's current form until 2024 or can you suggest other short-term changes that would better achieve these policy aims?**

*and*

**Question 25: In considering the current Forestry Grant Scheme, are there opportunities to improve the administrative efficiency of the scheme?**

The Forestry Grant Scheme should be continued broadly in its current form until 2024 though with relatively minor modification.

Support should be for woodland creation *and* management.

The FGS application process is difficult and inappropriate for small schemes. Croft woodlands have been very successful in meeting Scottish Government targets when there was a Crofting Forestry Scheme. Most potential beneficiaries are unable to apply without the help of a professional forestry agent. Preparing a proposal for a small scheme can require almost as

much input as for a larger scheme, thus agent costs for small schemes are disproportionately high. For small schemes with individuals making their own applications, a simplified application process is necessary. This could include a shorter application form, a reduced burden of supporting evidence, and access to low-cost mapping.

Many of Scotland's most ecologically valuable woodlands are small scale, and there are many other small woods that could make a valuable contribution to the forest industry, if brought into economic management. However, the current scoring system works against small occupiers as they are likely to score less well on value for money due to the higher intrinsic cost of smaller-scale operations and also on scale of delivery. The flat rate for woodland creation does not take account of the extra cost of establishing small areas of woodland.

Some of the options under Sustainable Management of Forests are inappropriate to small woodlands. The per-hectare rates payable under these options are at a level that does not justify making an application for a small woodland. Conversely, large woodlands can attract significant amounts of funding. The per-hectare rates could be set regressively with a higher rate payable for an initial area and lesser amounts above threshold areas thereafter.

The extension of the Western & Northern Isles option to exposed sites in the whole of the crofting counties was very welcome. The maximum number of hectares for 'Croft Woodland' sites on mainland and the Isles of Arran, Islay, Mull and Skye should be increased to at least 5ha.

Poor uptake of the agroforestry option reflects restricted eligibility criteria rather than the appetite or potential for delivering agroforestry schemes. The current model supports low-density planting integrated with sheep grazing, and requires LUC >3.1 (Arable). We propose that eligibility is extended to LUC 3.2 - 5.3 (Mixed Agriculture/Improved Grassland) and that permitted grazing should include cattle, poultry and other productive livestock, as well as sheep. We further propose that support is extended to agroforestry which is integrated with arable, fruit and vegetable production as this can deliver important productivity benefits and ecosystem services.

We note that the current FGS budget is not sufficient to meet demand or the Scottish Government's policy goals; this needs to be addressed.

**Question 26: Given the importance of continuity of support for environmental outcomes, should the current Agri-Environment Climate Scheme continue broadly in its current form until 2024 or are there short-term changes that could be introduced to i) simplify and streamline the scheme, ii) improve customer experience and/or iii) enhance the delivery of environment and climate change objectives?**

Too much AECS goes to areas that do not provide environmental benefits and not enough support ends up in areas that provide environmental benefits and public goods<sup>1</sup>.

It is difficult to apply for – takes too much time for small units and not enough reward.

Common grazings (where greatest area of HNVF is found) offer huge potential for environmental measures yet very few are entering the scheme. What does this say about the scheme? Crofters find it difficult to access due to complexity of system. In fact many consultants / agents simply avoid dealing with crofters and AECS because it is difficult and at least some SNH officers also seem to avoid involvement with crofting-related AECS for similar reasons.

There is a need for maintenance payments for good practice (not just payments to improve practice – i.e. clean-up or creation of low-value simulacra of high-value habitats).

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<sup>1</sup> <http://www.crofting.scotland.gov.uk/userfiles/file/Openness/Consultations/Support-for-Crofting-FULL-REPORT.pdf>  
<http://www.efncp.org/download/SRDP-CG-report.pdf>  
<http://www.efncp.org/download/SRDP-crofting-report.pdf>

The points system is opaque and there is always a significant danger that applications will fail - crofters in particular don't have the financial buffer to cope with such failure, plus arguably more culturally risk-averse, so many don't want to leave themselves vulnerable to their applications failing. Individual crofts are often too small to get enough points, unless many adjacent/nearby crofts collaborate together to put together enough points (for species, habitats, different schemes etc) but putting together more complex applications in this manner can be difficult.

We need an entry-level grant, which pays not much but at least starts engagement.

Many schemes are poorly devised for most important areas, e.g., Skye (exceptions - machair in Uist) and much of Sutherland, where some of the highest-value habitats in Europe are still untouched by any agri-environmental schemes – the kind of situation where locally-led approaches would probably be much more promising.

Following extensive consultation groups, which took a huge amount of resources for all concerned, the schemes are very clearly drafted by agencies and overly-powerful NGOs - not sensitive to crofting needs. We need locally-led schemes and input from people who have a much better understanding of the crofting and extensive grazing environment.

**Question 27: Are there new emerging environment or climate change priorities that need particular focus under the Agri-Environment Climate Scheme in the next three - five years?**

Taking into account the above comments, the scheme needs to be completely redesigned *as soon as possible*, by people who know what they are doing, and taking crofting / common grazings / HNV systems particularly into account.

A small but effective encouragement to keep appropriate numbers of cattle – e.g. front-end loading for beef calf scheme – was discontinued. It needs to be reinstated.

Carbon sequestration on common grazings should be investigated for its potential.

**Question 28: Considering the current New Entrants Capital Grant Scheme, are there opportunities to improve the administrative efficiency of the scheme?**

The scheme needs improvement at a more fundamental level than 'administrative efficiency'. The current scheme does not treat all new entrants to crofting equally, as its eligibility is restricted to 'agricultural' businesses. The requirement in crofting law to cultivate the croft is much broader than this, e.g. 'management as woodland' is included within the definition of cultivation, as is any 'purposeful use'. There needs to be reinstatement of a Crofting New Entrants Scheme based on the definition of use within the crofting acts, and which would include new entrants being matched with out-goers.

**Question 29: Considering the CAGS in its current form, are there opportunities to improve the administrative efficiency of the scheme?**

Direct payment to suppliers would make the scheme easier to administer for both funder and funded, and would attract more uptake of the scheme since it would relieve the crofter of the need to fund the work up front.

Standard costs should be reinstated – again, this improves administration for all and encourages self-help.

Quicker turnaround of payments would ease cash-flow, a major constraint for small business.

An improvement would be to introduce a bridging loan for CAGS to cover the period of grant acceptance and claim / payment if payment is not made directly to suppliers. Further to this, some new entrants may need to apply for grants before being able to keep any stock e.g. if the croft is completely unfenced; so they would be asking for a grant on an unworked croft – in order that it can be worked.

In the course of a project circumstances lead to changes being necessary - make it easier to make minor changes to the plan submitted.

**Question 30: Should the scope of what can be funded be reviewed, for example in terms of adding in new elements and restricting total spend on some projects?**

The current focus of CAGS solely on 'agricultural' businesses is not aligned with permitted forms of cultivation or purposeful use as defined in crofting law. In terms of equity and the need to encourage diversification we consider that all crofters who are meeting their obligation to cultivate the croft under crofting law should be eligible for support. In particular, we believe woodland crofters should be included in the scheme and consideration should be given to including support measures for small-scale woodland management and agroforestry activities on crofts where these are not supported via the Forestry Grant Scheme.

We propose that the burden of supporting evidence should be broadly similar for all activities e.g. CAGS assumes traditional markets for livestock but for 'non-traditional production' e.g. horticulture, the applicant must produce a 'business plan that identifies market outlets for produce', even though HIE research (and croft produce markets) have shown that demand for local horticultural produce is not met.

Eligibility for CAGS should be restricted to crofters who are meeting the terms of residency and use under crofting law and we suggest that support for the creation of new crofts, including woodland crofts, should be considered for funding support via CAGS.

**Question 31: Do you have initial views on this proposal (discontinuing SFGS)?**

If the Small Farms Grant Scheme is not used it should be discontinued.

SCF was opposed to the introduction of the SFGS as it was seen as a way of emulating CAGS, a grant scheme exclusive to crofts, which are different from small farms in that they exist under the burden of regulation.

**Question 32: Would there be customer benefits if the CAGS, small farms capital grant scheme and the new entrants capital grant scheme were combined?**

We see no customer benefits. The Small Farms Grant Scheme should be discontinued if it is not being taken up; combining it with CAGS is illogical. CAGS should remain exclusive to crofts, as mentioned above. The new entrants capital grant scheme should be extended to a Croft New Entrants Scheme, something separate from CAGS.

**Question 33: Considering the current FPMC scheme, are there opportunities to improve the administrative efficiency of the scheme?**

We know of no crofters in receipt of a grant who can comment on administration. This is a grant scheme that could make a huge difference to Highlands and Islands, an area that relies on micro and small businesses. However, it seems that administrative ease for the funder is gained by awarding large grants to large businesses – who can afford to borrow commercially to invest. Round 7 awarded nearly £11.6 million to only 13 recipients (av.>£892k) with two businesses sharing £8million of this. Would it be attractive to small businesses? There is no notable promotion of the scheme for small or micro-businesses.

What would improve administrative efficiency is to have a pre-application discussion process with the administrators of the scheme which would assist applicants to keep within the rules and improve their chances of acceptance. Thereafter there should be open discussion at all stages between the applicant and a nominated case worker within SG. This would not only assist the applicant, but would also help SG to target assistance to where it should be going, i.e. to build small, artisanal food businesses maximising the value of indigenous produce.

**Question 34: Would you wish to see other aspects of this scheme changed in the short-term?**

Shared equity should be considered for community projects, whereby Scottish Government provide the matching investment, or the greater part thereof. For example, the proposed community abattoir on Skye is eligible but cannot finance the 60% needed to match the 40% grant. Scottish Government policy under GFN is to promote local produce and for meat products this requires local abattoirs. Investment by Scottish Government (or through its agency HIE) would therefore make sense.

**Question 35: Do you have views on priority issues to be considered by any pilots during the transition period?**

Having established the principle (and indeed the mechanism) of loan funding under the BPS, this could usefully be considered for other capital investment, to sit alongside grant support. For example:

- The reintroduction of a loan element to the Croft House Grant in advance of a full Croft House Grant and Loan Scheme.
- Loans for business development of croft land and purchase of croft land, for which commercial loans are unavailable.
- A bridging loan for CAGS to cover the project costs between grant acceptance and claim.
- A bridging loan for woodland projects.

Creation of new crofts on land under the control of Scottish Ministers.

Equity share in enterprises such as the Skye community micro-abattoir.

**Question 36: (Leader local funds) Is this an approach that you could support?**

In principle, locally-led development is favoured by SCF. However, whether Leader actually reflects what communities want or rather what local authorities and government agencies want is an issue, LAGs tending to be dominated by officials.

The administrative system is notoriously difficult – to apply for a grant and to then administer it. This puts many off applying.

**Question 37: Considering LEADER in its current form, are there other opportunities to improve the administrative efficiency of the scheme?**

Leader is far too difficult for small enterprises to apply to and report for, despite LAG staff being very helpful. Given that this scheme is supposed to be specifically for local projects and that this will often be led by third sector organisations who are under-resourced, this is a major issue that needs to be addressed. Feedback:

“Currently, depending on what LAG you apply to, the process may be different, especially around inputting to LARCS. It is an onerous application that would put any small group off; you have to have the confidence and specialist skills to even attempt it.”

This reflects what many have said to us.

**Question 38: (Broadband under SRDP) Do you have initial views on this proposal?**

We have concerns that small, peripheral communities and extensively located households are not catered for. The Openreach monopoly and the rule that Openreach have to say they will not provide before a community can apply for alternative provision is an unacceptable situation.

It is insupportable for government to insist that IACS, VAT etc are completed on line if businesses don't have access to broadband.

**Question 39: Do you have any thoughts on the form, content and delivery methods for future advice?**

Most of the current advisory budget goes into the Farm Advisory Service (FAS), run by two consultancy companies. The scheme is deficient in its delivery to crofting because, experience informs us, the scheme was not designed with crofting in mind.

We recommend locally-led development and suggest that Scottish Government looks at community-led training for an effective, efficient and empowering delivery mechanism. The 'put producers in a room and tell them' model is outdated, costly and ineffective. On-croft training and delivery of advisory messages from an advisor (who may be a crofter) would work better. Collect a few locals together on one croft (remember the agricultural extension service model) – this could be equivalent to a one off, highly localised, informal monitor croft visit.

Furthermore, currently the Woodland Crofts Partnership and the Croft Woodlands Project (a partnership between The Woodland Trust, Forestry Commission Scotland, Scottish Crofting Federation, Point & Sandwick Trust, Shetland Amenity Trust and Argyll Small Woodlands Coop) provide a similar service to the FAS but specifically for crofters and small-holders. Neither currently receives core funding from the Scottish Government, unlike the FAS. In light of this we suggest that the Scottish Government considers directing core funding to both of these targeted advice delivery mechanisms, to ensure that croft woodlands and woodland crofts remain properly supported in the future.

**Question 40: Do you have any views on the balance of advice delivered by one-to-one and one-to-many methods?**

One-to-one not working for crofting, especially due to charging for advisor travel time in very remote areas, the situation exacerbated by few advisors to population of crofters.

One-to-many too top-down and old-fashioned in methodology. We need community-led training and advice.

**Question 41: Do you have any views on how delivery of advice can be better linked to delivery of results?**

On-croft meeting, then follow-up visits.

**Question 42: Considering the KTIF scheme in its current form, are there opportunities to improve the administrative efficiency of the scheme?**

SCF has a KTIF-funded training project. The scheme works well for us; the initial application was quite difficult but the Scottish Government staff are very approachable and helpful. Once in place the administration is clear. We are not aware if this is already a practise, but we think there should be some form of capability assessment of a grant application to ensure there is, or will be, the required financial systems in place to facilitate accountability.

**Question 43: Do you have any views on the effectiveness of KTIF and how the aims of the scheme could be promoted in the future?**

We don't know how effective KTIF it overall, but from our viewpoint it is effective as it gives us the opportunity to encourage new entrants, help people to gain new skills or refresh the skills they have. Without it we would struggle to get funding for training. New entrant knowledge and skills training is essential to the future of crofting and our courses are always over-subscribed.

Restricting training to primary agriculture is a drawback; in a non-EU funded future we would hope to see an equivalent fund under Scottish Government but that also funds training in secondary processing of agricultural produce – these courses are always sought and increasing local produce is an aim of Scottish Government under GFN.

**Question 44: (BES) Would you support a similar type of scheme going forward?**

No – it is too prescriptive for crofts on land that cannot be improved easily.

**Question 45: Would you support a future approach that aims to deliver similar increases in efficiency through the direct payment support mechanisms?**

Not under the BPS, but could be under LMO-type schemes.

**Question 46: Do you see a continuing role for the SRN and, if so, do you agree that its current aims and objectives should be maintained during the transition period?**

Is there connection, shared objectives, information-sharing, conferring, between the different initiatives – e.g. Scottish Rural Network, Scottish Rural Action, National Council of Rural Advisors, Rural Gateway?