# Contemporary Crofting: The Potential for Delivering Public Benefits

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Image Credit: Scottish Crofting Federation, 2024

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# 1. Summary

This report summarises a project between the Centre of Mountain Studies, UHI Perth, and the Scottish Crofting Federation, exploring the potential for delivery of public benefits by crofting, as told by crofters themselves. The report points to challenges in realising these public benefits and to the need for better regulation, better incentives, better data and better skills and training opportunities.

The research found that crofters see themselves as able to deliver public benefits at scale for the crofting counties and Scotland as a whole. Specific areas include biodiversity, carbon, rural housing, culture and identity, countering rural depopulation, cohesion, food production and economic development. Crucially, the report finds that **crofting has the potential to adapt and mitigate against the effects of climate change and biodiversity collapse, whilst maintaining vibrant rural communities and economies**.

Crofters also identified crofting as having the **potential to be key to maintaining culture and community** in many areas, often in the form of housing but in contributing in a variety of ways to people sustaining livelihoods in rural and island areas. Crofting is a unique tenure system which is based on individual and communal land management units, with the latter having **the potential to bring people and communities together**.

Interviewees suggested that the ability to deliver these benefits are becoming increasingly challenged due to factors including increased costs of crofts, regulations, models suited to large-scale agriculture, and difficulty in accessing tailored funding. Interviewees proposed several research questions to assist them to respond to these challenges, including considering the climate mitigation impacts of crofting, better measurement tools to measure activities on and contributions from crofts, and better understanding of potential uses of common grazings.

The use of more **positive language** around crofting is important, with importance placed on changing the narrative to recognise **that crofting potentially holds the key to a just transition for agriculture and rural communities**, rather than portraying it as a fragile, traditional way of life needing support to survive. **Focusing education, research, skills and training on crofting would also be beneficial to realising releasing its full potential now and for future generations.** 

# 2. Project Aims

The Centre for Mountain Studies (CMS) at UHI Perth have collaborated with the Scottish Crofting Federation (SCF) to explore research opportunities and knowledge exchange around the **potential for delivery of public benefits by contemporary crofting**. SCF were interested in developing an evidence base on the current 'state' of crofting to help inform policy development.

#### This report focuses on:

- The **policy context** of crofting and areas requiring development;
- The public benefits<sup>1</sup> delivered by crofting;
- Barriers and levers to delivering these public benefits;
- Skills and training gaps to better deliver these public benefits;
- Areas requiring better data and evidence to measure delivery;

# 3. Methodology

CMS co-designed the research project with SCF, recognising the importance of research that is non-extractive, responsive to the needs of communities and has the potential for impact.

A research grant was secured from the Land and Communities Knowledge Exchange Group at the UHI, with an initial literature review to inform the project and to provide context to the policy overview. Ethical approval was then granted (ETH2324-1078) for primary research, where upon co-developing a set of research questions, the research team conducted semi-structured interviews (see Appendix i) with 6 active crofters spread across the crofting counties. SCF identified and, acting as a gatekeeper, initially contacted interviewees. Furthermore, the project team attending meetings, webinars and contributed to other discussions to inform the project.

Interviews were conducted online and, where appropriate, over the phone, and on average lasted around an hour. All interviewees were active crofters, and represented a diversity in ages, genders, access to different sizes of croft, a variety of owner occupation versus tenancies, and varying degrees of using common grazings. All interviewees have been anonymised in this report.

<sup>1</sup> At the time of writing, a report from the Crofting Commission titled 'The Value of Crofting' (2024) was published. This report sought to value crofting, and followed a process whereby benefits were identified by the Crofting Commission; these were then mapped against the national outcomes within Scotland's National Performance Framework; these were then quantified and qualified via desk research and consultations with several crofters. Whilst their focus overlaps with this report, and has accordingly been integrated, there remain questions as to the challenges in realising the value of crofting and further research needed to consider this.

# 4. Policy Context

Crofting is subject to a range of policies impacting land use in Scotland. To understand the challenges and opportunities for crofting policy and practice, it is important to look briefly at not just crofting policy but at other key drivers to understand the context in which crofting operates.

#### **Agriculture**

<u>The Agriculture and Rural Communities (Scotland) Bill</u>, passed in June 2024, states that the overarching objectives of Scottish agricultural policy are:

- the adoption and use of sustainable and regenerative agricultural practices, and the production of high-quality food,
- the promotion and support of agricultural practices that protect and improve animal health and welfare,
- the facilitation of on-farm nature restoration, climate mitigation and adaptation,
- enabling rural communities to thrive.

The powers in the Bill will enable Ministers to make new payments and create new payment schemes. Collectively, this will form a framework of support for agriculture (including crofting), forestry and rural communities more generally. The Scottish Government's intention is that support provided under current retained or assimilated EU CAP rules will transition to new schemes under this Bill. However, this will take time, and it is expected that CAP schemes will continue to operate over a transition period for the next few years; the Bill therefore also contains powers to enable Scottish Ministers to modify the existing CAP rules to remain in force.

March 2024 saw the publication of the latest update to the <u>Agricultural Reform Route Map</u>. This provides details about the actions that farmers and crofters will have to take to receive agricultural support payments from 2025. It seeks to establish a framework to underpin Scotland's future agriculture support regime, so that it delivers high quality food production, climate mitigation and adaptation, and nature restoration.

## **Biodiversity**

The Scottish Government published its <u>Biodiversity Strategy</u> in December 2022 and a consultation on a <u>strategic framework</u> in September 2023 to form the basis of a proposed Natural Environment Bill scheduled for 2024/5, which was recently confirmed in their Programme for Government in September 2024. The bill is likely to contain measures on implementing the Scottish Biodiversity Strategy through a Delivery Plan, a Nature Networks Policy Framework and a Policy Framework to protect 30% of the country by 2030 (30 by 30). Proposals in the Bill may also include Statutory Targets for Nature Restoration and provision for new National Park(s). There are also likely to be measures on deer management. Consultations were held around an <u>appraisal framework</u> for new national parks in 2023, <u>changes to deer management</u> in January 2024 and legislative proposals for meeting the <u>international commitment</u> of 30 by 30 in a <u>consultation</u> in April 2024.

In terms of crofting, the overall objectives of these measures are captured largely in agricultural policy. The <u>strategic framework</u> specifically refers to a proposal to 'Shift at least half of all funding for farming and crofting from unconditional to conditional support by 2025 with recipients of support to deliver on targeted outcomes for biodiversity gain and low emissions production.'

#### **Bracken**

In March 2024 a new <u>Scottish Bracken Working Group</u> was created to provide a forum for engagement on work related to bracken and its management, and to help form advice to Scottish Ministers on the progress of actions and the developing evidence base.

#### **Climate Change**

The Scottish Government is set to publish a new Climate Change Plan by March 2025 as a statutory requirement of The Climate Change (Scotland) Act 2009 and the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019. This plan will replace the current update plan and will outline policy and support measures to continue to de-carbonise agriculture and land use, land use change and forestry (LULUCF) sectors. The Scottish Government held a consultation on a Draft Scottish National Adaptation Plan (2024-2029) which refers to its vision that: 'Farming, crofting and land management will continue to play an important role in maintaining thriving rural and island communities. Land management in Scotland will change as we tackle the twin climate and biodiversity crises which will present both challenges and opportunities for farmers and crofters, building on their traditional leadership role in and management and stewardship. We know that agriculture is one of the sectors most exposed to the impacts of climate change while also being well placed to take adaptation actions, which also support climate mitigation for example through riparian planting or hedgerow creation.'

## **Crofting**

The Scottish Government is currently<sup>1</sup> consulting on legislative proposals for <u>crofting reform</u>, with the stated aim that it '…is determined to ensure that crofting legislation enables and supports the sustainability of crofting, of crofters and crofting communities, and allows crofting to modernise, innovate, diversify and adapt to help meet today's and tomorrow's climate and environmental challenges…' and that '…Crofting's place in agriculture and food production will remain at the heart of the system, but alongside these we now see crofting playing an increasing role in tourism, renewable energy generation, forestry, peatland restoration, beekeeping and small-scale horticulture production.'

This follows the publication of the <u>National Development Plan for Crofting</u> in March 2021, in which the Scottish Government set out 75 actions in 14 areas that needed '... to be achieved in order to ensure that crofting contributes towards delivery of Scottish Government priorities, as well as preserving crofting, and its culture, for future generations.' Key areas covered by the plan included:

- Economic and community development (innovation and diversification, rural development)
- Skills development (right people, right skills, inclusive)
- Local food networks and agri-tourism (networks, branding)

- Land, environment and biodiversity (pollinators, peatland, woodland)
- Additional carbon income from new woodlands and peatland restoration
- Wildlife management (sea eagles, geese and deer)
- Housing (Croft House Grant scheme, local development, right to buy).

#### **Funding**

The latest update on <u>Scotland's Land Use Strategy</u> reports that the Scottish Government approves and provides crofting businesses with over £40 million each year through various support mechanisms including the Croft House Grant, Crofting Agricultural Grant Scheme (CAGS), Cattle Improvement Scheme, Less-Favoured Area Support Scheme, Basic Payment Scheme and Greening, Forestry Grant Scheme and Agri-Environment Climate Scheme (AECS).

In 2023, 28 crofters and their families received funding of over £820,000 from the Croft House Grant scheme towards the costs of home improvements and new houses. 2023 also saw the introduction of energy efficiency measures to the scheme, allowing crofters to apply for grants of up to £38,000 towards the costs of home improvements, such as loft or wall insulation, new zero direct emissions heating systems or upgraded windows and doors.

The CAGS provides grants towards the costs of a diverse range of agricultural operations. It is designed to aid and develop agricultural production on croft businesses, thereby supporting the economic basis of crofting and helping to retain people in rural and island communities. The funding also supports collective investments on common grazing land. In 2023, 678 applications were received with a total commitment of over £2.6 million, helping 433 crofters with their businesses.

A new pilot scheme was established in November 2023 to help small producers to become more sustainable. They will be able to access a range of new support through the Small Producers Pilot Fund, which has been allocated over £180,000 and will be used to assist small producers and crofters to establish more localised supply chains and cut food miles.

The funding was used to: support two small-scale abattoir projects; establish a new information resource webpage for small producers; develop a framework to assess small producers' data; and procure a service to deliver training courses for small producers. The Regional Food Fund provides grants of up to £5,000 per application to a variety of projects promoting local food. The most recent funding round, completed in January 2024, provided up to £100,000 to 22 collaborative local food and drink projects across the regions of Scotland.

The Integrating Trees Network supports farmers and crofters across Scotland to develop their knowledge and understanding of planting and managing trees on their land. This peer-to-peer engagement project, nominated for a Chartered Institute of Ecology and Environmental Management award, focuses on the practicalities, benefits and outcomes of integrating trees on farms and delivers free events and engagement materials tailored to farmers' needs. As a direct result of work by the 'Trees on Farms' subgroup, a stakeholder-led group established for collective discussion around better integration of trees on farms, Scottish Forestry has introduced four new measures to its Forestry Grant Scheme aimed at

boosting agroforestry planting in Scotland: increasing the grant rate for agroforestry projects by 50% from £3,600 to £5,400 per hectare; making agroforestry funding available for planting fruit, nut and native trees; allowing additional protection measures for trees to allow cattle to graze within agroforestry projects; giving farmers more opportunity to participate in agroforestry by adapting the planting thresholds.

#### **Good Food Nation**

The Good Food Nation 'ambition' can be traced back to 2014, with the vision from the Scottish Government that by 2025 Scotland will be: "a Good Food Nation, where people from every walk of life take pride and pleasure in, and benefit from, the food they produce, buy, cook, serve, and eat each day." The Good Food Nation Bill was introduced to Scottish Parliament in October 2021. The Act, passed in 2022, requires the Scottish Government, Local Authorities and health boards to create food plans to set out:

- 1) main outcomes to be achieved in relation to food-related issues;
- 2) policies needed to do this; and
- 3) measures assess progress toward these outcomes.

The Act makes it a statutory requirement for Scottish Ministers and relevant authorities to have regard to certain international instruments, and introduced a new Scottish Food Commission.

The <u>consultation draft</u> of the first national Good Food Nation Plan was published in January 2024. It sets out the main outcomes to be achieved in relation to food-related issues, the policies needed to do this and the measures they will use to assess progress. The duty for local authorities and health boards to set out their own Good Food Nation plans will be triggered once the national Plan has been finalised and published.

## **Green Finance and Natural Capital**

As well as indicating that future agricultural payments will be more targeted at climate and nature positive management, the Scottish Government is investing public funding in measures such as peatland restoration and a 'Facility for Investment Ready Nature in Scotland' (FIRNS) fund to '... support projects that shape and grow private investment and market based mechanisms to finance the restoration of Scotland's nature.' There is also increasing private capital interest and investment in 'natural capital' peatland carbon and woodland carbon schemes. A report on the rural land market commissioned by the Scottish Land Commission (2023) indicated that this has led to increasing demand for previously marginal agricultural land, driving up land values, although the market witnessed a slowing down from 2023 onwards (Scottland Land Commission, 2024).

To try to regulate the market to ensure that carbon investment is responsible and takes account of communities and biodiversity, a set of <a href="Interim Principles">Interim Principles</a> were published by the Scottish Government in March 2022. In April 2024 the Scottish Government produced a <a href="Natural capital market framework engagement paper">Natural capital market framework engagement paper</a> which aims to develop a responsible market, where they state '... to take advantage of these opportunities, it will be necessary to consider how to make it easier for tenants and crofters to participate while providing appropriate protection for the interests of landlords.'

There is much uncertainty around peatland restoration and carbon credits in the crofting context; this uncertainty is impacting crofter uptake and private investment. These <u>set of resources from the University of St. Andrews</u> illumine this (<u>Resources – Peatland Restoration: A Guide for Crofting Communities (st-andrews.ac.uk)</u>).

#### Housing

Housing and crofting are intimately linked, as recently identified in the recent report by the Crofting Commission. Crofts have provided housing, and the ability for people to stay, live and work in the crofting counties, for centuries, and it could play a significant role in providing more houses – or land for housing – in these areas, particularly important during times of depopulation. There are a variety of reports looking into this, including 'Houses on Crofting Land: A study into meeting housing needs in the crofting area' and the links between the two (crofting and housing) feature heavily in policy related to rural and island Scotland, planning, land reform, and more. The Scottish Government states in their Crofting National Development Plan that: 'Crofting plays a vital role in maintaining the population in rural and remote rural areas, including the retention of young people and families. Enabling more people to live on or near their croft and work their land is key. The legislative framework for crofting underpins this by placing a duty on the crofter to be resident on, or within 32km of, their croft, and to meet other legal duties such as cultivating and maintaining their croft.

Crofting legislation entitles a crofter to build a croft house on the croft, subject to planning consent. In almost every case the croft house must be provided by the crofter themselves. Due to the nature of crofting and the predominance of self-build as a means to provide housing in rural and remote rural areas, it can be challenging for crofters to access conventional forms of housing finance.

The Scottish Government is keen to continue to encourage investment in crofts and croft houses as this contributes to the economy in crofting areas, helps to halt population decline, and contributes to the sustainability of rural communities.'

Since January 2007, the Scottish Government has approved Croft House Grant payments of £24.4 million, seeking to help build and improve over 1,100 croft homes. The 'Rural and Islands Housing: Action Plan' published in October 2023 lists government action so that people in rural and island areas have access to the high quality affordable and market housing, supporting their commitment to deliver 110,000 affordable homes by 2032, of which 10% will be in rural and island areas.

#### **Just Transition**

In 2018, the Scottish Government established a <u>Just Transition Commission</u> to advise how a transition to net zero could be achieved across all sectors of Scotland's economy whilst fundamentally ensuring that no one in society is left behind. Upon the recommendation of the Commission, the Government implemented a Just Transition Framework, consisting of individual just transition plans for the sectors of the economy responsible for the most GHG emissions.

#### **Land Reform**

The Land Reform (Scotland) Bill was introduced to Parliament in March 2024 with the aim of changing how land is owned and managed. The Bill currently includes measures that will apply to landholdings of over 1,000 hectares, prohibiting sales in certain cases until Scottish Ministers can consider the impact on the local community. It will introduce advance notice of certain sales from large landholdings. It places legal responsibilities on the owners of the very largest landholdings to show how they use their land and how that use contributes to key public policy priorities, such as addressing climate change and protecting and restoring nature. The Bill also includes a duty on Scottish Ministers to publish a model Land Management Tenancy which will support people to use and manage land in a way that meets their, and the nation's, needs. It includes several measures to reform tenant farming and small landholding legislation, providing more opportunities to improve the sustainability and productivity of land. It will ensure that tenants are able to engage in sustainable agriculture and are fairly rewarded for their investment of time and resources by compensation at end of tenancy. It is also worth considering the Rights and Responsibilities statement, how this may be brought about on a statutory footing, and how this may interact with crofting provisions. It is also worth considering whether the 'lotting' proposals may be impactful, and as such how they might apply/be applied to/be relevant to crofting.

# 5. Potential Public Benefits of Crofting

As noted in the recent publication from the Crofting Commission, 'the full value of crofting cannot be estimated in pounds and pence. This report shows that crofting also delivers a whole host of wider social and environmental benefits many of which cannot be fully quantified' (2024, 3). This section uses direct quotes from crofters to illustrate the full range of potential public benefits from crofting and some of the challenges in further realising these.

Our analysis identified a range of thematics, covering a range of policy areas and issues which highlighted a multitude of benefits, with a multitude of barriers to further realising these benefits. In short, all the interviewees understood that crofting encompasses a multiplicity of public benefits and can further contribute to a multiplicity of public benefits, should it be supported sufficiently.

#### **Biodiversity**

As noted in the Shucksmith Report, <u>Committee of Inquiry on Crofting</u>, 'the relationship with the land is at the heart of crofting.' Whilst this warrants further analysis, we heard from crofters that their relationship to the land is integral to their practices and livelihoods.

Interviewees understood that crofting contributes public benefit in its contribution to biodiversity, specifically

- High nature value farming
- Low-input agricultural systems
- Small scale (and therefore more responsive to the land and its needs)
- Patchwork / mosaic pattern of land use creating diversity in habitats and associated wildlife
- Woodland creation and continuation and management of existing woodland
- Soil health
- Peatland management
- Species diversity (flora and fauna).

The following quotes highlight some aspects of these public benefits.

'The birds can all wander around in there and happily pick up all their all their little bugs and stuff, and then the field next to it is really long [grass], so they can go and hide their chicks in there, and then the field around the corner has got something else or whatever. And this bit is rushy, and this bit is acidic, and this bit is not. It is actually that patchwork that provides everything. And that is never captured in these kind of audits and stuff like - it's all just [focused on] individual crofts.'

'Because crofts tend to be grouped together in townships, so you've got this lovely common grazing, this extensive moorlands and stuff like that. And then you have these pockets of intensively managed areas which provide this counterpoint and provide this variety. And the clump of farming together and the fact that some people are inactive, and some people are active and some people are old and some people are just doing

badly. And all this sort of stuff. The fact that you've got five or six different people, maybe even ten, who are doing it, who have a different mindset and a different way of doing things and different interests. Like if we all work together really well, we might all do the same thing, and you'd end up just being like a big farm and you wouldn't get this benefit.'

Interviewees found the approach to measuring biodiversity – or other forms of auditing – difficult on their croft, as these approaches did not seem relevant to them and heavily geared towards larger agricultural enterprises.

'We've tried to follow these models, we'll do the carbon audit and so on, but they don't provide any context. Whenever we walk around, we see tonnes of insects. We see bird life increasing. We see dung beetles breaking down the cowpat. And people buy our produce.'

'Research that looked at the standard tools, carbon audit, soil, health audits would be good. Even biodiversity audits. Have a look at how the standard tools and then get out there with some experts and do an expert detailed assessment [on the croft itself] because I think it would be horrifically different.'

#### Carbon

Respondents mentioned the delivering of carbon benefits whilst crofting, with particular attention paid to:

- Low food miles
- Improved soil health
- Low carbon footprint of inputs (i.e. fodder production).

'There's no way they're going to accurately capture the carbon, like the whole carbon tools are about how much fertiliser do you use? How much diesel do you use? And I'm like, well, I don't use any diesel. I use diesel to take my sheep for Dingwall and back, you know. I don't use fertiliser, I don't plough, you know... so 80% of the carbon measurement tools are irrelevant to crofting.'

'We've tried to follow these models: we'll do the carbon audit and so on, but they don't provide any context.'

Furthermore, we spoke to respondents who were actively involved in planting trees on their croft, supporting carbon lock-up. Many were attentive to peatland restoration, management of land to support carbon sinks and storage, and the ways in which certain forms of low-intensity grazing further contribute to carbon lock-up. Explored elsewhere in the report, crofters noted that 30% of Scotland's peatlands coincided with areas under the management of common grazings, and as such questions emerged as to how to manage common grazings in ways that further support peatland restoration – and, indeed, how to reimburse those who have been contributing to the restoration of peatlands for decades and may not qualify for grants to 'repair' it.

#### **Community and Culture**

A significant finding from interviews was the ways in which crofters recognised the importance of what they do for socio-cultural reasons, with many identifying crofting as integral to life in the Highlands and Islands, community retention and resilience, and contributing to the culture of places. This is further explored in the recent report from the Crofting Commission (2024) and there is significant documentation on this in academic and grey literature.

Specifically, interviewees mentioned the ability for crofters to contribute to an historic practice in the present and the importance of townships.

'I suppose that's the superpower of crofting is that at its core is something embedded within the community.'

'This village may die if you took crofting away.'

'I think it provides a sense of ownership over the land even for the non-crofters in the village... This is their land around it. You know, they may not own the sheep or the cows, but they know the people who do, and they go through a walk on the hill and it's their livestock that they're seeing and it's that management and they know that we're the ones managing that ground.'

'I keep coming back to what I think is it its core, core strength and that is embedding food at the heart of a community, I think.'

Linked to the thematic of community and culture was the importance of common grazings. Several crofters viewed them as crofting's 'unique selling point'.

'Kind of [the common grazings] forces crofters to keep talking to each other. You know? Like it's not like we're all friends because we share the common grazings. But it makes us work together. It stops this attitude of, you know, I'm just, I'm an independent lifestyler and I want to fulfil my self-sufficiency dream... like the common grazings are what makes you a Township, whether you hate each other or not.'

'I really think if you don't have common grazing then you don't have a township. It might still be a croft, but it's got like a fraction of it... It might as well not be a croft. It might as well be a smallholding.'

'You know, so there is that sense of shared ownership, shared responsibility for the land, for the animals. You know, like, if something's wrong, if someone sees something wrong with the sheep or a cow, they'll tell someone who'll tell someone. And it's just I think there would be a vast difference between people, the feeling of people in a township that was owned by a shooting and fishing estate. It's never about the individual croft because actually it is about this patchwork effect in a township.'

Common grazings are particularly significant when considered in terms of scale across the crofting regions; as stated in a recent publication from the Scottish Land Commission (2024, 3); 'with over 500,000 hectares of Scotland's land made up of common grazings, we recognise the great importance of common grazings for securing public value from natural resource management.' The recent Crofting Commission Report stated 'the Scottish Government has established a target of restoring at least 250,000ha of degraded peatlands by 2030. This would require 20,833ha of peatland to be restored each year. With 30% of Scotland's peatlands coinciding with areas under the management of common grazings committees, there is significant scope for crofting to contribute to this' (2024, 23).

According to Sutherland (2023), there over 1,000 common grazings across Scotland (2023), covering 6% of Scotland's land area. 9% of land in active agriculture, 13% of the Special Protection Areas designated under the BIRDS Directive and more than 15% of High Nature Value farmland. Common grazings also account for 30% of Scotland's area with peat of over 2 metres in depth' (2023, 2).

## **Economic Activity and Employment**

Many of those we spoke with mentioned the economic opportunities within crofting, many of which are not well-measured nor understood. For example, they spoke about it being a multiplier to local economy (employment, contractors, suppliers, self-employed in local business so income stays local). Whilst the Crofting Commission's report (2024) explores this in detail, there remain research gaps.

'In three years, it's grown. I've got now four members of staff. I've got 6 volunteers. I employed a whole pile of sessional tutors that all live and work locally, that they are now getting additional local income...'

'We make £380 a year on average per acre, with 2.6 FTEs and have encouraged 8 new entrant farmers.'

However, it was noted that crofting is very difficult to earn a living from and it should not be positioned as being able to do so. This is investigated in the Crofting Commission report, which stats 'crofting is not a 'job' in the traditional sense, but rather a system that enables people to make a living from multiple sources' (2024, 1).

#### **Food Production**

Many advocated the ability to grow food on their crofts, and pointed to a need to ascertain how much crofts produce.

'I think there is something about we don't know much about: how much food, how much produce or how much production does crofting actually contribute?'

'You know, you might get, you know, a crofter, who sells 50 sheep at the Mart every year, but he might also stock his own house with it all year round and veg for half a year. And OK, we're not supposed to be funded to provide self-sufficiency, but actually like, it's just about how much produce do crofting areas actually produce, because I

don't think there's a very good handle on that at all. And even in terms of like, you know, going through the mart and through the abattoirs and stuff – we don't have that information.'

#### **Housing - and New Crofts**

An important issue raised by all interviewees was the challenges of accessing housing in many of the crofting counties due to a variety of reasons: increasing land prices, second home ownership, increasing costs of building houses, old and potentially colder/leaky housing stock, lower wages in the region, planning uncertainties, and more.

However, many interviewees considered crofting to play a significant role in addressing this. Specifically, crofting legislation and the planning system could further facilitate house creation on croft land. Alongside community right to buy, asset transfer legislation, and potential opportunities for developing housing on common grazings (if appropriate to do so in the local context), those we spoke with found a real potential for crofting to contribute to addressing the rural housing crisis. This has been taken up in the Crofting Commission's recent report and warrants further analysis.

# 6. Levers to Optimise the Delivery of Public Benefits

Interviewees outlined some of the barriers – and levers for change - in optimising the perceived public benefits of crofting across a range of topics. The most prominent levers included:

## **Bracken Spread and High Deer Numbers**

- Managing bracken in light of herbicide regulation changes
- Management of deer where landlords or neighbours have high densities
- Cost of deer fences and fencing common grazings and sharing expenses
- Hunting rights and potential conflicting views between landlords and crofters, given that landlords retain hunting rights so may have an interest to maintain game/deer populations counter to crofters' needs.

#### **Changing the Focus on Agribusiness to Smallholdings**

- Changing/challenging the focus on large scale production, free trade, globalisation, industrial farming
- Increasing ability for crofters to buy small quantities bulk buying discounts and delivery designed for big producers
- Increasing ability to buy or access small machinery big machinery damaging to land in small crofts
- Increasing ability for vets coming to certain areas in rural and island Scotland
- Increased number of farm vets.

## **Encouraging Collaboration**

- Encouraging more machinery rings
- Promoting crofters in a community/township to curtail challenges in collaborative activities being sustained
- Increasing more opportunities for communal labour around harvesting and a breakdown in communal activities including shearing.

## **Increasing Access to Crofts**

- Potentially consider capping the increasing price of crofts
- Policy focus and change needed regarding current regulations and legislation which are perceived as 'binding, slow, burdensome, lack of reporting' to encourage the creation of more crofts and better access to already existing crofts which may be underused/misused/disused
- The management/curtailment of crofts taken over by one crofter; often multiple crofts are run as one business but retained as separate legal units. Less commonly crofts are merged through enlargement
- Further consideration of whether crofts should continue to be able to be sold as they are currently: are there appropriate measures/reform in the Crofting Bill?
- Further consideration of the creation of new crofts, potentially by community landlords in combination with rural housing burdens/potential restrictions on right to

- buy, and/or in developing with the current Land Reform Bill and the prospective for 'lotting'
- Tackling, managing and absenteeism and ascertaining the scale of this problem.

## **Increased Suitable Funding**

• Challenge and change the way that public funding is currently allocated in ways that support the future of crofting and rural and island Scotland.

## **Negative Language**

- Move away from negative and pejorative terminology 'rough grazing', 'less favoured area', 'unproductive land'. 'remote', 'fragile'. Instead focus on 'vibrant communities', 'high nature value farming', 'low food miles', 'local produce' etc.
- Use more positive language in discourse, policy and practice: i.e. instead of 'subsidy' or 'grants', words including 'investment' could be used.

# 7. Gaps in Skills and Training

Interviewees mentioned the need for further skills and training opportunities.

'I've always been pushing for training because I think it helps improve the culture, creates networking, because as a crofter it's really hard to network and I try and create groups wherever I can, but the typical crofting meeting is only at the marts.'

- 'Rural skills' need to be seen by all as exciting, innovative, entrepreneurial courses –
  not just activities that perceived to be non-academic
- A broad range of qualifications should be available in crofting, sustainable food production and marketing including:
  - o Applying for funding
  - Butchery
  - Fencing and dry-stone walling
  - o GIS
  - Grassland management
  - Habitat monitoring and fixed-point photography
  - Managing a 'house cow'
  - Managing polytunnels
  - o Regenerative agriculture
  - o Soil health
  - Use of no-fence collars
  - o Woodland management including fruit trees.

'The schools say we've got some someone who hates school. Yeah. We'll shove him out to you. And it's like, well, hang on a minute because, you know, if we're talking about land use sustainability, you know, we've got all the sciences in there. There's so much more. So, somebody that's academic actually could be coming along. And participate in. I think that there is this barrier that education teachers and general people just think a crofter is just somebody that's got some sheep and drives a tractor all day. They don't actually realise that there's all the business elements that we're businesspeople, you know, we have to have control our finances, do VAT returns, be aware of incomings and outgoings. So, there's just so much more.'

# 8. Gaps in Evidence and Knowledge

Interviewees identified a variety of gaps in evidence and knowledge, pointing to a number of key research questions. The following questions could be collated with the research questions posed in the recent Crofting Commission report (2024).

#### **Agricultural Production**

- How many calories needed by a croft family and what surplus produced?
- How to integrate trees and balance wading birds and breeding habitats?
- What is the potential for growing fruit trees on croft land?
- How to preserve grass for winter fodder in relation to current and future climate?
- Methods for controlling bracken?
- What proportion of food crofters eat from the big 6 retailers?
- Markets for wool?
- What's the scale/impact of casual/informal crofting arrangements not captured through regulations?

#### **Green Finance / Carbon Credits**

• Who owns the carbon credits on a common grazing?

'But it's mainly the crofters that will be doing the work and managing the grazing of that land. It's just a balance of power thing that unfortunately people are so scared of upsetting rich people that they still think it's a great gift here. But crofters, look, look the precedent is 50%! And I'm like we should be getting all of that, you know.'

'And then you try and get into carbon credits. But carbon credits are 100-year commitments. The common grazing literally is not an entity. So how do you even sign up for carbon credits as a common grazing? You'd have to sign up for it as the 12 individual shareholders. And then what happens when one shareholder sells their share?'

## **International comparisons**

- Small scale machinery (Alpine tractors etc.)
- Land reform and taxation
- Crops and their resilience.

## **Owner-Occupied Versus Tenanted Crofts**

- Is owning crofts contradictory to the intention of crofting?
- What does the data say on the relative productivity of owned versus tenanted crofts?

# 9. Focus for Further Study

#### **Better Data**

- Better data from Annual Farm Census already separates out croft data.
- Comparative data and benchmarks. SAC/SRUC farm handbook for crofts gather data from 1-200 crofts on gross margins / social benefits
- Make sure 'economic condition survey of crofting 2019 -2022' gets repeated
- Contingent valuation generate accurate multipliers for crofting
- Develop indicators of public benefits:
  - o FTE
  - Production, destination of produce (domestic consumption / local etc)
  - Carbon including peatland
  - o Biodiversity / woodland
  - o Health
  - Education / training
  - Housing
  - Social output
  - Tourism / bed nights

'Every year we get a census from the crofting Commission, and it's the only communication you get in the whole year. And I think, oh, great. OK. I've got something to say. And then it asks three questions. Do you live within 32 kilometres, or do you keep it in good condition? Yes. One other one. Your name probably. That's it.'

#### **Better Tools**

- Dedicated audits and apps for biodiversity and carbon that work for crofting
- Croft farm advisory service including woodland etc.
- Small scale agri-machinery
- Machinery rings.

## **Better Regulation**

- Parity of regulation and better enforcement for owner occupier crofts and tenanted crofts
- Create category of 'residential croft' to allow housing
- Mandatory 'introduction to crofting course' for new entrants and or before receiving agri-payments
- Restrictions on tying up croft land in trees or housing / holiday pods
- Better manage/update/combine the croft registers (the Crofting Register by ROS:
   <u>Crofting Register (ros.gov.uk)</u> and The Register of Crofts, run by the CC: <u>Register of Crofts | Crofting Commission (scotland.gov.uk)</u> to make it easier for new entrants to find crofts
- Change regulations to allow on-farm slaughter.

## **Better Uses of Common Grazings?**

- How have and how can apportionments be used to create new crofts and housing?
- How many common grazings are registered?
- How many common grazings have active grazing committees?
- How are grazing committees governed?
- What issues besides grazing are on the agendas?
- How are soumings used today?
- What is the potential for green finance schemes / carbon credits / natural capital?
- What is the current and potential role of the landlord?

'In my township there are a lot of second homes. And so, people get the croft. They want the house and a little productive little quarter acre or something and they don't want the rest of the rough ground, and they certainly don't want to share the commons. They're reluctant to give it up or pass it over because it's a potential asset....'

#### **Tailored Incentives**

- Incentive specifically tailored to crofting and/or clarity on the next round of agri schemes, with payments towards good environmental practice
- Access to secured bank loans/public funded mechanisms
- Funding for training courses
- Polytunnel support or more widely available/known about sources of funding through existing agri schemes
- Butchery
- Mortgages for crofts.

'I think one of the most difficult things in crofting is, you know, they're always talking about diversifying, but it's very difficult to diversify from away from anything that's not the usual sheep. You know that kind of thing. They don't really encourage you like polytunnel, I don't think you get money for polytunnels or encouraged to put a polytunnel up, which is just in this part of the world to grow your own food is essential.'

## 10. Conclusion

This brief study sought to highlight the context and key issues in ensuring crofting reaches its full potential to contribute to public objectives. A number of themes have emerged: barriers to achieving public benefits; gaps in skills and training; and gaps in evidence and knowledge. Key areas for further study have also been identified around better use of common grazing; better data; better incentives; better regulation and better tools.

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# **Appendix I**

#### **Contemporary Crofting: Semi-Structured Interview Form**

1. Can you introduce yourself? Can you tell us a bit about your croft? How did you come to be involved in crofting?

Do you have livestock?

Do you have crops?

Can you describe the model you use?

How much do you use common grazings?

Can you describe the area and the local community where you croft?

- 2. Are there things you'd like to know more about on your croft to help you carry out the work? Natural science information? Socio-economic information? Questions about policy development?
- 3. For the surrounding crofting community in your region/on a national scale, what are the big questions at the moment which you think need answered/face crofters/those interested in crofting?
- 4. We know that SCF has looked into skills and training, but do you have any insights into further training or skills that you don't have would most help you in crofting? Do you see the UHI in playing a role with this? Any other thoughts?
- 5. People speak about the co-benefits/public benefit of crofting: what does this mean to you?
- 6. What tools to measure public benefits of crofting would most help you? I.e. measuring high nature value farming / animal welfare / peatland and habitat restoration / carbon emissions and capture/ biodiversity / community / culture?
- 7. What tools are missing?
- 8. Any other thoughts on measuring public benefits of crofting? How to best capture this?
- 9. What are the BARRIERS TO ACHIEVING these SHARED PUBLIC BENEFITS (incentives / regulation / rights /landlord / local issues/ global issues etc)? What are the key barriers to you achieving shared public benefits?
- 10. What barriers have you found in getting to where you are? What might stop other crofters from diversifying?
- 11. If you could encourage one intervention/change in crofting, what you it be?
- 12. Is there anything else you'd like to add?