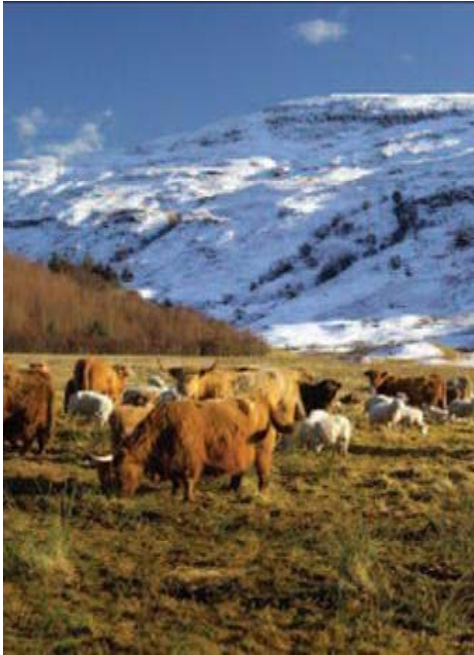


The Future of Scotland's Hills and Islands

**Roger Crofts
Secretary Committee of Inquiry**

The
**Royal Society
of Edinburgh**



Presentation

- **Reasons for Inquiry**
- **Land resource**
- **Economy**
- **Society**
- **Institutions**

Reasons for the Inquiry

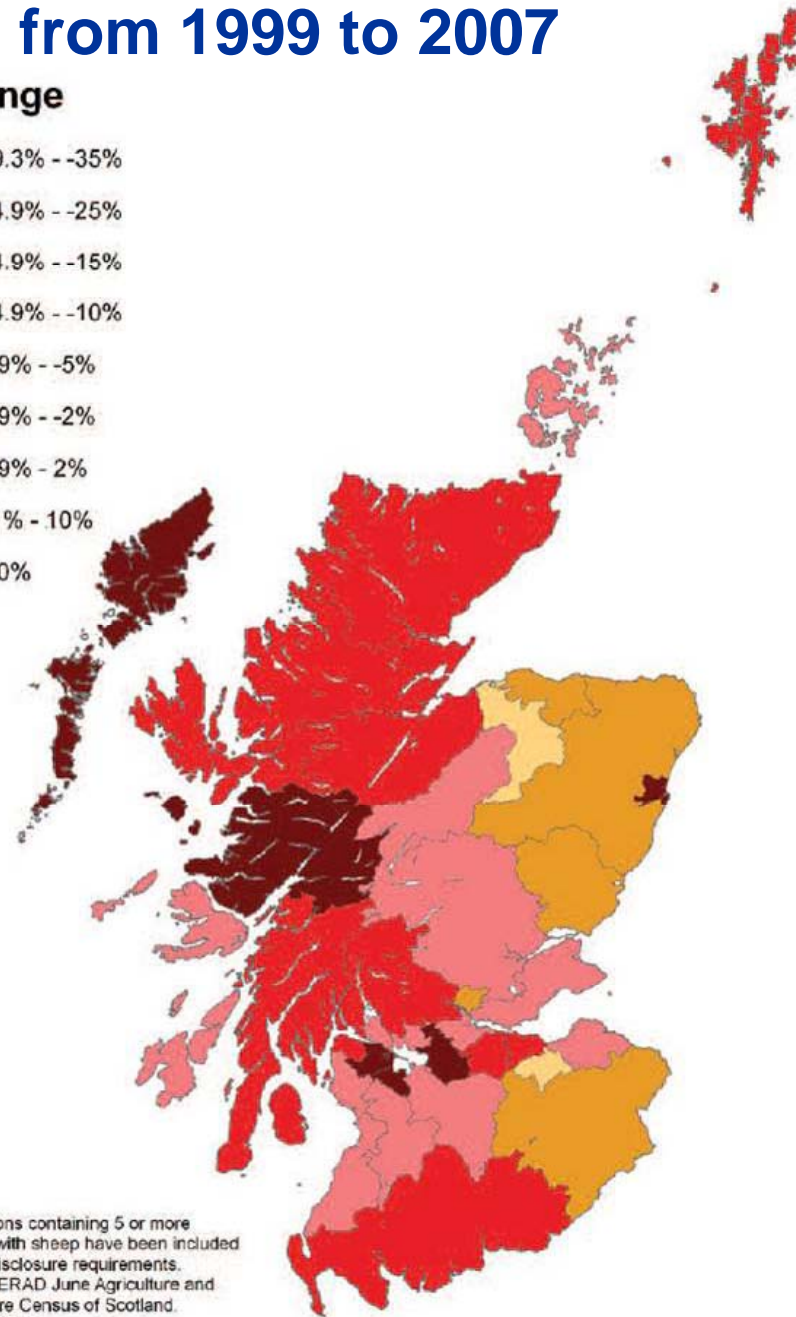
- Concern at position of livestock farming
- Implications for natural heritage & communities
- Land use conflicts increasing
- Implications of climate change
- Need for policy changes





Key facts: Decline in Sheep Numbers from 1999 to 2007

% Change



Only regions containing 5 or more holdings with sheep have been included to meet disclosure requirements.
Source: RERAD June Agriculture and Horticulture Census of Scotland.
© SAC, 2008



Key facts:

Very low incomes in LFA farming

Net Farm Income and Average
Direct Subsidies 2006/07

Farm Type	Net Farm income	Subsidies per farm	Subsidies as % of NFI
LFA Sheep	1,300	22,700	1,539
LFA Beef	14,400	43,900	304
LFA Mixed Cattle and Sheep	11,300	48,900	431



Key facts: Consumption of lamb per head very low in Scotland

Household Consumption of Red Meat 2004-05

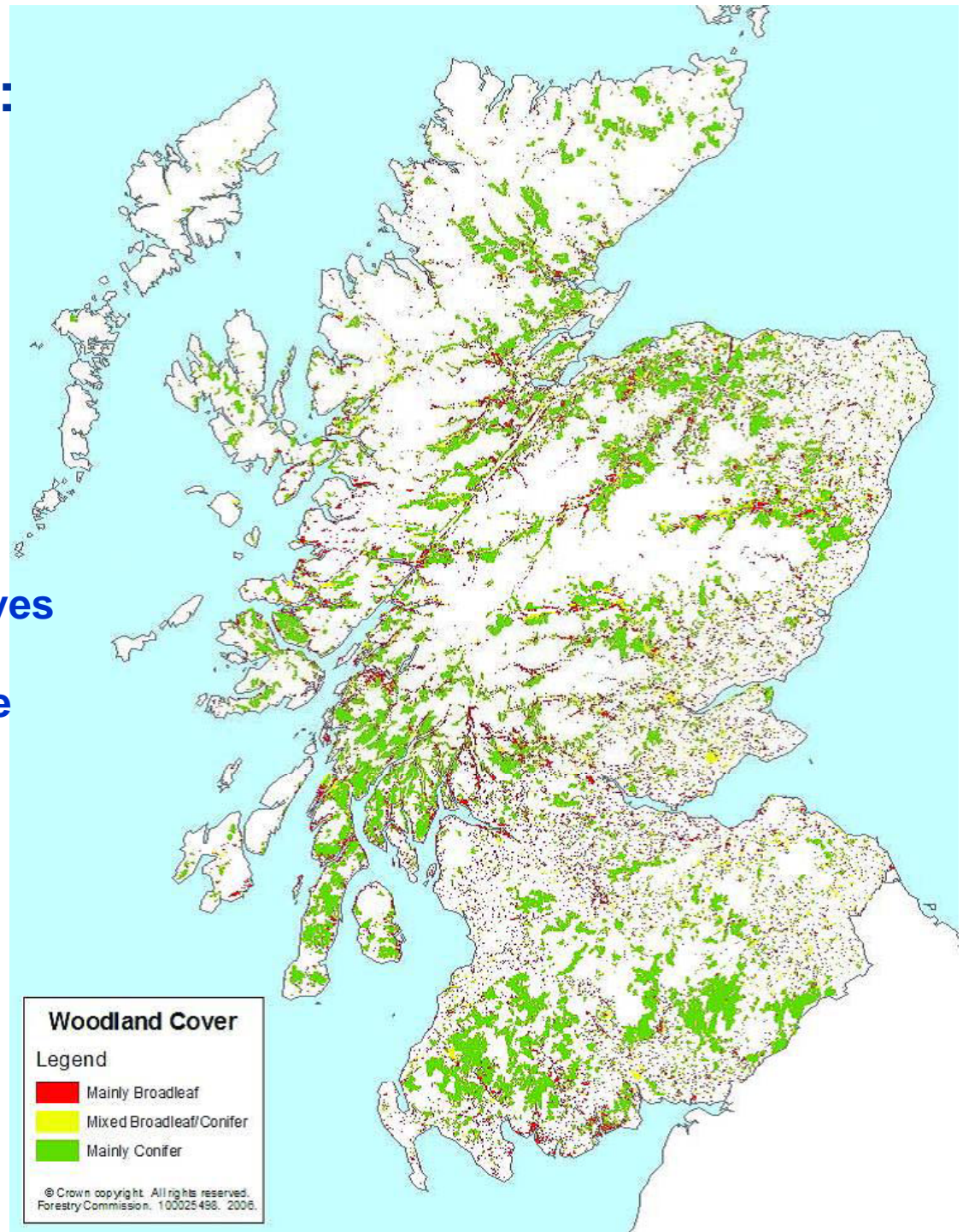
Grams per person per week

	Scotland	England	Wales
Beef and veal	134	121	117
Lamb and mutton	18	51	103
Pork	39	57	57



Key facts: Forestry

- Growth in 20th century: 5 to 17%
- 78% conifers
22% broadleaves
- 34% FC &
- 66% non state





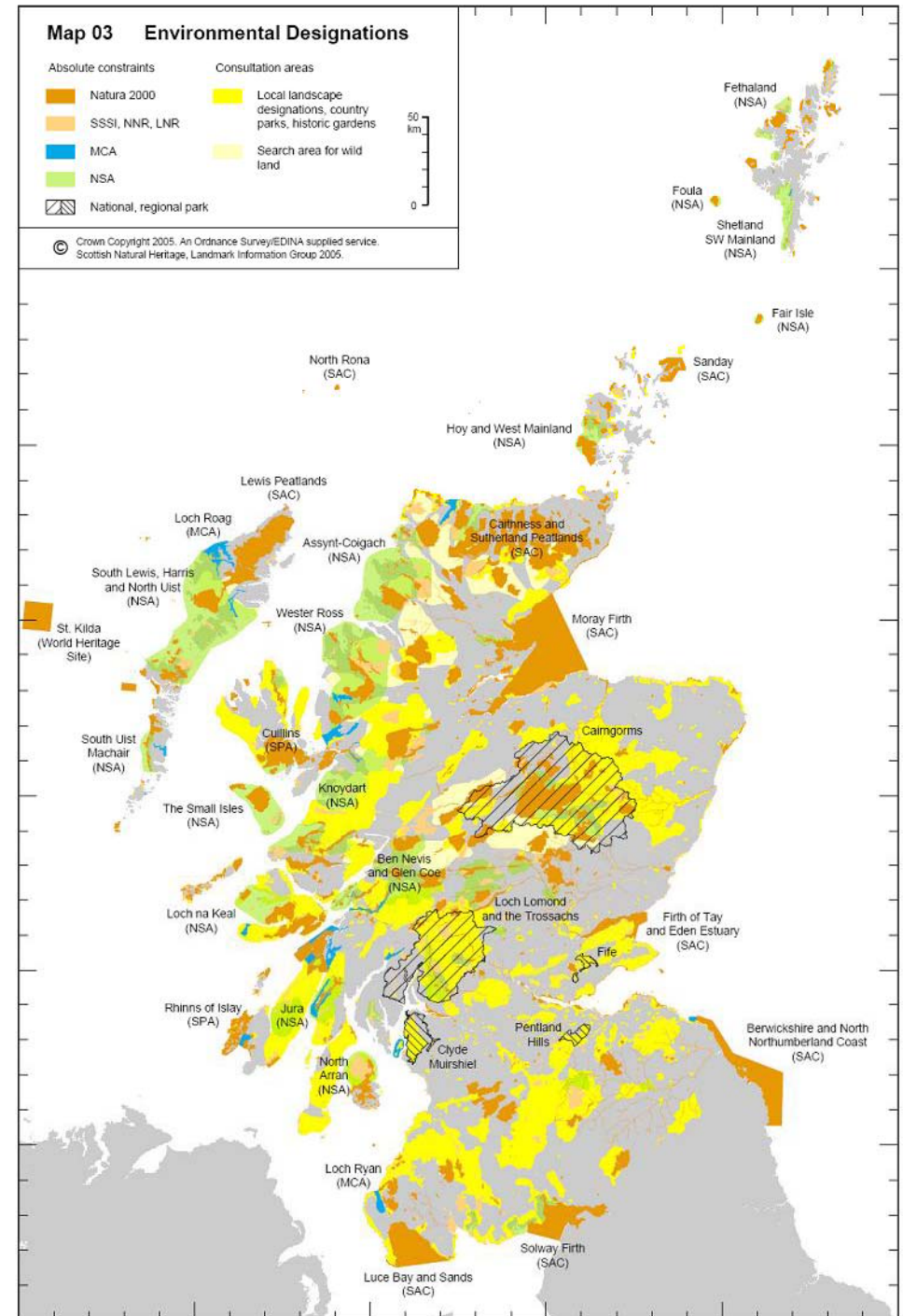
Key facts: Natural heritage

- Expansion non-native commercial forests
- Over grazing by herbivores
- Decline in heather moorland
- Species loss through persecution
- Eradication non-natives
- Re-introduction native species
- Intrusive structures in landscape



Key facts: Growth in protected areas

- Coverage
5% to 23%
- Wide variety
- Most designation
complete
- Opportunities
for use and
enjoyment





Integrated policy for land use

- **Strategic Land Use Policy Framework**
- **Land Stewardship Proofing Test**
- **Make case for public support for land management**
 - combat climate change
 - maintain & enhance biodiversity
 - secure food supply
 - achieve biosecurity
 - combat social disadvantage



Changes to land policy

CAP decoupled support from production & cross compliance requirements

But problems:

- Confusion of the two Pillars
- UK Government policy to end all direct support after 2013
- Single Farm Payment based on history not defensible
- Payments disadvantage Hills and Islands
- Substantial under funding agri-environment

Changes to Pillar 1

- Single farm payment more clearly linked environmental benefit
- Active agriculture should be a condition
- Move to area based system after 2013
- Use special provisions to support for sheep farming
- Increased rate of compulsory 'modulation'

Pillar 2: Gross inadequacy of EU funding

Rural Development Funding (£/ha/year)

Country	EU allocation 2007-2013
----------------	------------------------------------

Austria	121.8
Sweden	59.2
Ireland	54.3
Germany	48.5
France	23.5
UK	12.0
England	12.7
Scotland	7.4
Wales	20.8

Changes to Pillar 2

- Base Pillar 2 funding on need
- Retain LFASS
- Change definition of LFASS area
- Focus LFASS support on agri-environment & climate change
- Increase funds for agri-environment schemes
- Reduce number and bureaucracy of agri-environment schemes



Changes to Forestry Policy

- Higher planting rate
- Strategic approach to land availability
- Combating climate change as objective
- Develop carbon market
- EU give credit to forestry emission reduction



Combating climate change through land use

- Prevent rapid run off & flooding
- Reduce disturbance carbon-rich soils
- Reduce grazing intensity
- Review muirburn practice
- Retain vegetation cover
- Additional tree planting
- Develop carbon trading scheme

Stimulating Economic Development: tourism

- Most important industry in area
- Some excellent tourist facilities but quality highly variable
- Low growth rate
- 50% increase tourist income by 2015 not achievable
- Widespread criticism of VisitScotland





Tourism proposals

- Tourism Scotland amalgamating VS+HIE+SE functions
- Regional Tourism Boards
- Better marketing to reduce seasonality
- Increased funding
- Improved training
- Compulsory registration
- Increased nature tourism
- New special areas

Stimulating Economic Development: energy

New renewables potential but needs:

- Integrated land use policy
- Changes to charging scheme for connection to grid
- New grid connections
- Provide greater community benefit

Stimulating Economic Development: food

Many good examples local food locally and in wider markets

But two improvements needed:

- branding local food & better promotion
- overcome EU restrictions & reduce costs operating abattoirs & food processing



Key facts: Developing Viable Communities

- Population change variable
- Aging population
- Out migration young
- In migration older
- Highly variable provision of services
- High levels housing deprivation
- Pockets of disadvantage



Developing Viable Communities: housing

Lack of affordable housing

Need to:

- Increase supply of socially rented housing
- Assist private provision of social rented housing
- Change planning policies



Developing Viable Communities: transport

- Alleviate high fuel costs
- Some links in road system still needed
- Need for review of ferry services

Developing Viable Communities: services

- High-speed electronic services
- Integration of government service delivery
- Radical change in role of post office
- Means of retaining local shops
- Integrated approach to FE & HE provision



Refocusing Institutional Structures

Issues:

- Organisations become more centralised
- Concern at loss of local approaches



Refocusing Institutional Structures: solutions

More integrated delivery & more effective structures

- Greater customer focused approach
- Devolve decisions
- Develop support outside HIE area
- Rural policy proofing

Engage locals

- More effective use of informal mechanisms
- Greater involvement local people

Take greater account of regional variation



The New Approach

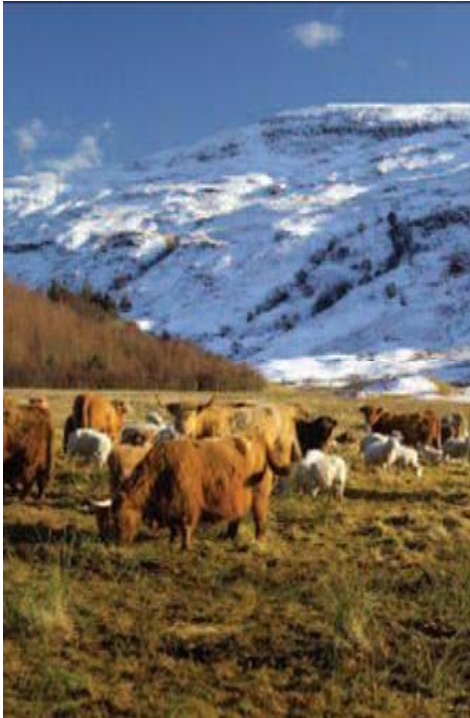


The Old

- Fragmentation
- Administrative
- Arguments
- Top-down

The new

- ✓ Integration
- ✓ Consumers
- ✓ Alliances
- ✓ Community



Explicit Commitment Needed

- **socio-economic well-being of people**
- **the sustainable and productive use of the land**
- **conservation of biodiversity and landscape**
- **amelioration of global climate change**
- **sustained evolution of the cultural heritage**
- **improved access for recreation, health and quality of life**

The Goal

- ✓ sustainable future with vibrant and viable human communities
- ✓ diversity of people and places provide rich inheritance & dynamic future
- ✓ fully integrated diversity of land uses
- ✓ well managed natural systems and landscapes
- ✓ contribute to the amelioration of climate change
- ✓ develop economic opportunities: tourism, renewable energy and food
- ✓ supported by appropriate financial mechanisms and services

