

Agriculture & Rural Communities (Scotland) Bill Participation Workshop

Monday 19th February 2024, Scottish Parliament Building



Background

The Scottish Government introduced the Agriculture and Rural Communities (Scotland) Bill (“the Bill”) in September 2023. The Bill is intended to provide a framework for replacing the EU’s Common Agricultural Policy (EU CAP) which set out rules around payments and support for agriculture and land management and for other support schemes like Scotland’s LEADER programme.

The Bill, as introduced, is a ‘framework bill’, which means it doesn’t contain all the detail about how it will be implemented. It gives Scottish Ministers powers (i.e., the legal ability) to do certain things – like provide funding for land management activities. It also requires them to do certain things, such as set out a plan for how they will provide funding for land managers. However, the Bill does not include the detail of a future policy to support land managers and rural communities. This policy is under development, with most recent indications set out in the [Agriculture Reform Route Map](#).

The Bill sets out **four high-level ‘objectives’** of agriculture policy. These are:

- a) The adoption and use of sustainable and regenerative agricultural practices,
- b) The production of high-quality food,
- c) The facilitation of on-farm nature restoration climate mitigation and adaptation, and
- d) Enabling rural communities to thrive.

The Bill is currently at Stage 1. This means it has been introduced in the Scottish Parliament and the lead Committee, in this case the Rural Affairs and Islands Committee (“the Committee”), examines and gathers a broad range of views on it. The Committee first did this through issuing a ‘call for views’ during the latter part of 2023, where organisations, as well as members of the general public, had the opportunity to provide written responses to the Bill. You can read all the responses [here](#).

The Committee also undertook four public evidence sessions, across December 2023 and January 2024, to gather the views of identified stakeholders, most of whom represent a particular interest group or academic interest relating to the Bill. You can read the minutes of these public ‘roundtable discussions’ [here](#).

To complete the process of gathering views, the Committee facilitated a participative workshop on Monday 19th February 2024 to learn from the lived expertise of a selection of people who represented those most likely to be directly affected by the Bill’s implementation. A host of collaborating organisations supported the Parliament’s Participation and Communities Team to recruit a representative group of participants, based on their farming practice or area of work, and other demographics. The workshop took a ‘Chatham House Rule’ approach to allow frank and open discussions.



Format of the Workshop

The workshop used a ‘carousel discussion’ approach. Carousel discussion layers different perspectives from various groups onto set questions and identifies the core commonalities, tensions, and gaps across participants views. The carousel format divided the larger group into smaller, themed, working groups with no more than 8 participants in each. These groups rotated around five tables, each with a dedicated question and Member from the Committee.

Before moving into the carousel discussions, Finlay Carson MSP, Convener of the Committee, welcomed participants, introduced the background to the Bill (as per the above), and ran through the order of the day. The carousel rounds were delivered over the course of the morning and into the afternoon (full workshop agenda is provided in appendix 1.) Members then summarised the key reflections they heard over the course of the day, before then moving into a Q&A / general discussion led by participants reflections from the floor.

Participants

40 participants were invited to attend the workshop and 37 participants attended on the day, in addition to 6 Members (MSPs) from the RAI Committee, and Parliament staff who were be there to support the workshop's delivery. The workshop was designed around five themed working groups who represent key stakeholder groups who are likely to be impacted by the Bill:

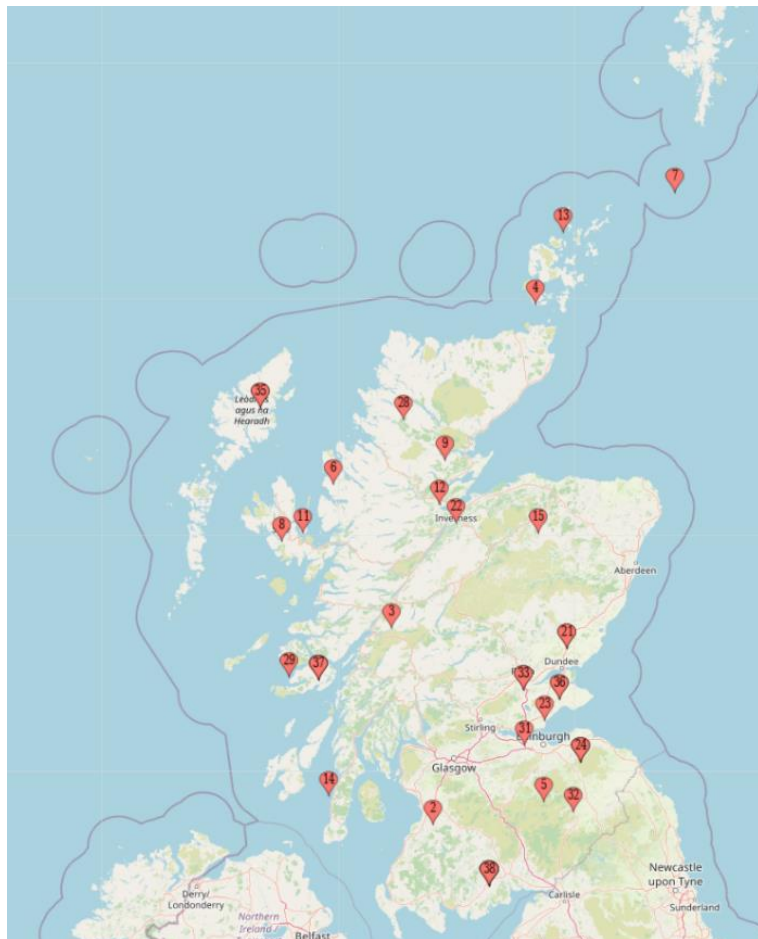
Crofters

Owner-Occupier Farmers

Tenant Farmers

Integrated Farm Managers

Rural Community Development Representatives



Map showing rough geographic spread of participants from the five groups

Carousel Discussion Summaries

Question 1: What are two main opportunities related to **land management** for you or your community? What is working well at the moment and what needs to change in relation to land management in the future?

Connection the Bill: ‘The production of high-quality food’ and ‘the adoption and use of sustainable and regenerative agricultural practices’ are two of the four objectives of agriculture policy set out in the Bill. The Bill as a whole gives the Scottish Government the powers to set up new schemes and programmes to support land managers.

Facilitated by: Arianne Burgess MSP

Carousel discussion themes:

- **There is a need to share best practice and CPD** not just on new projects, but also on improving and maintaining current activities.
- **Forestry** - rural development practitioners spoke about planting schemes and large businesses buying tracts of land can negatively impact communities. We heard from owner-occupiers that Forestry schemes have not worked as intended.
- **Role of young people** – practices like crofting are part of Scotland’s heritage and culture and this is valued however there’s a need to encourage new entrants and young people to enter the sector. Policymakers need to be cognisant of the age of farmers and the need for new entrants and legacy planning.
- **Legacy and succession** are key problems, farms are becoming too expensive, and support is slow and insufficient. Incentives are needed to support new entrants and address being priced out of the market. A shift is needed in culture and reconnection with the land. Selling produce is too expensive.
- Connectivity and the circular economy have huge potential to bring younger people into rural areas. This links to points made around **wider community impact** and the need for **wider infrastructure** and incentives to keep farmers on islands.
- **Smaller scale farming is becoming less viable** – owner-occupiers said smaller-scale is reliant on support and grants and integrated farm managers said that small scale farming is hard to make a living from – especially when the system is built for bigger entities – but contributes to wider biodiversity. We heard that scaling is challenging but there were advocates for a scaled, rather than a one-size-fits-all approach. Some participants struggle to find/access support. There is a need for an explicit commitment to smaller producers.
- **Diversification** is needed due to difficulty in making a living from farming. There’s a need for funding for this within the subsidy regime, including funding for supporting ecosystem services, and funding for smaller scale farmers.
- Some concerns were raised regarding tenanted land and the **relationship between tenant and owner**, e.g., where an owner wants a share of profits from a tenant using the land. Tenants need more support, both labour and financial, but are not eligible for a lot of support. Tenants require significant time and effort to grow/diversify. Need incentives for tenants and a more flexible system that protects them.
- **Area-Based Payments** were described by one participant as ‘the elephant in the room’ They felt that area-based payments do not represent value for money and are discriminatory. They emphasised that we have gotten payments wrong in the past, where headage payments caused an increase in stock, and now support is being gamed or changed to match the incentive. They felt that public funds should be provided for delivering public goods.

- In general, participants spoke of a need for a **balance of Interests** – e.g., a need for fairness between tenant and owner interests, and around planning rules and rural housing - strict rules are unfair.
- **Quality Food Production** - Emphasis should be on producing quality food in a climate-sensitive manner. Furthermore, conditions attached to rural support bring environmental enhancement.

Question 2: Scotland is aiming to transition its economy and society to address **climate change** and **biodiversity loss** – what are the most important priorities for your community/your sector, and what do you see as your role in this transition?

Connection the Bill: The facilitation of on-farm nature restoration, climate mitigation and adaptation' is one of the four objectives of agriculture policy set out in the Bill. The Bill gives the Scottish Government the powers to set up new schemes and programmes to support land managers, including to act in relation to biodiversity and climate change. The Bill also requires the Scottish Government to produce a Code of Practice on Sustainable and Regenerative Agriculture, which is intended to provide guidance on sustainable practices.

Facilitated by: Rhoda Grant MSP

Carousel discussion themes:

- **Specific points were made about future support. It was felt that support needs to:**
 - **incentivise and support collaboration**, including at landscape level. Participants felt that it is impossible to get funding for connected, landscape-scale, interventions "because the new way of thinking doesn't fit within current system".
 - **integrate agriculture/rural policy** with land reform and crofting policy/legislation (as in other areas, the need to address tenant's abilities to participate was raised) and there is a need for integration of policy areas around agriculture/environment/forestry.
 - have a **greater focus on soil health**, e.g., getting carbon back into cultivated land. Some emphasised how livestock can support soil health.
 - bring in **ecologist support** for farmers.
 - support **animal health** which can help with farmers' **carbon footprint**.
- One participant was particularly supportive of outcome-based approaches (where rewards are paid for outcomes achieved for biodiversity/climate change).
- Across all participants, **difficulties accessing agri-environment climate scheme (AECS)** were raised due to the restrictive points-based application process. It was felt to be too hard to get enough points.
- One participant felt that financial support disincentivises managing land better.
- **It is difficult for land managers to see/perceive 'biodiversity loss'** on the ground. Some don't feel that they see the biodiversity loss that is being talked about - there is a need to baseline biodiversity.
- Some said there needs to be a **mindset shift in farming and in policy**, with more emphasis on 'reading the land' rather than schemes that tell people to 'do stuff' and are expensive, resource intensive and ineffective. This also requires a mindset shift from the traditional farming mindset, requiring a balance of active management and a hands-off approach and working with nature rather than machinery or chemicals.
- Wildlife/biodiversity attracts tourists and supports agri-tourism (which is e.g., 40% of crofting income for some), so there are routes to be rewarded. But not everything is

currently rewarded – e.g., there is **no payment for being a negative carbon emitter** (i.e., sequestering more than you emit).

- **There are a number of barriers to participating in climate/biodiversity interventions.** For example:
 - landlords may be reluctant to participate in peatland restoration
 - there can be a lack of manpower
 - there can be challenges with securing funding with knock-on impacts e.g., not being able to offer permanent contracts, etc.
 - wildlife conflicts can cause difficulty. Some land managers perceive that predators are hampering efforts to protect biodiversity, and that there are obstacles in the way of being able to control them. There are also direct conflicts with some species presenting challenges for agriculture (e.g., greylag geese in Orkney) and concerns about others e.g., beavers.
- There was a recognition of a need for greater **resilience in face of climate change** - e.g., to protect against flooding. Areas prone to flooding would benefit from thinking more landscape scale.
- As in Q1, **challenges with forestry** were expressed: it was felt that taking land out of use due to forestry puts more pressure on remaining land to be intensively farmed.
- **Challenges with carbon markets:** It is hard for communities to resist market forces; there has been a rapid land use change to forestry, for example. It is difficult to know how to participate in the carbon market, there is a **grey area on carbon credits**, and officials are not informed, with uncertainty over who the carbon credits belong to.
- Issues with communities starting **small-scale renewables projects:** no space left on the grid for community initiatives.
- Participants felt **soil health** must be supported at the heart of the Bill.
- Participants felt the **Bill needs to be more flexible and allow for local decision-making.**
- One person felt that there needs to be a target in the Bill on **methane** reduction, otherwise people will avoid the issue.
- One rural development practitioner raised that the objectives in the Bill should not limit to 'on-farm nature restoration' - **restoration** must be done more widely over agricultural land.

Question 3: What kind of things could be considered evidence that your **community is thriving**?
What would help you get there?

Connection the Bill: 'Enabling communities to thrive' is one of the four objectives of agriculture policy set out in the Bill. The Bill gives the Scottish Government the powers to set up new support schemes and programmes, including in relation to rural development and communities.

Facilitated by: Emma Harper MSP

Carousel discussion themes:

- **Participants emphasised the role of farmers/crofters (including tenants) in rural communities** – they are interconnected, but some perceive that there is a disconnect between farmers and the wider population.
- **Key links with land reform were made** – thriving tenant farming communities, and the sustainability of tenant farmers to be part of thriving rural communities are underpinned by land reform provisions on tenancies. This is important to support new entrants, young farmers, succession planning, and access to land.
- Relatedly, there is a need for **coherence between the Agriculture and Rural Communities Bill with the expected Land Reform Bill** to ensure that the tenant farming community can

Question 4: What kind of **support** do you need to help ensure that your community/organisation/business is **resilient** into the future, and how would you like this support to be delivered?

Connection the Bill: The Bill gives the Scottish Government the powers to provide financial or other support and make rules about support (e.g., eligibility requirements, payment entitlements, the amount of support provided, conditions, capping payments etc). The Scottish Government will be able to provide support for a number of different purposes. The Bill also allows the Scottish Government to make rules about continuing professional development.

Facilitated by: Beatrice Wishart MSP and Elena Whitham MSP

Carousel discussion themes:

- **The system of agricultural/rural support needs to be reformed;** some things don't make sense. Continuing agricultural support in the same way as before will not support people to change.
- The phrase '**just transition**' assumes that the current situation is just; if you assume that we are not currently in a just system, we may look at the transition differently.
- There are difficulties for **smaller actors** (including crofters). There are **barriers to funding**, and there is a need to **transform the support system** and have some sort of **frontloading of payments**. Need to support small farms to be commercially viable and sustainable, currently you cannot form a small family farm and make a profit.
- There is a need to **reward biodiversity and good environmental practice** - people want to help the environment, but there is no money in farming, and climate change and biodiversity interventions need to be incentivised and rewarded. AECS-type funding should continue but needs to change. There is not enough budget allocated towards this, and it is too difficult to get in with a points-based application system that changes each year.
- Policy must **incentivise and reward co-operation and collaboration** (including being able to access funding through cooperation). There should be a statement in the Bill to this effect (e.g., a purpose or objective). The objectives should be specific about rewarding collective action.
- There is a desire to improve **soil health and animal health**, and for an assessment of improvements to be based on results rather than ticking boxes.
- **Support needs to be accessible**, which must be considered when developing conditions for accessing funding. There is not yet enough detail on how this will work.
- There is a desire to see support across whole supply chain - '**food to fork**'.
- Some participants had the view that we should have **public money for public goods** and are against the system of area-based payments.
- **Capital grants are important** to have money to invest (with recognition it may take many years to pay off).
- There needs to be **multi-annual funding** both for rural development and for agricultural businesses.
- Getting **advice is expensive**.
- The **uncertainty** is a struggle for people, some felt that a 10-year forward look would provide certainty. But there is also a need to build in the opportunity to reflect on changes and progress of the transition and be flexible to recognise where things are not working and change them.
- Some expressed that the Bill's objectives should say "healthy, sustainable and regenerative food".

- There is a strong desire for a **local food economy/culture and transforming the food system**. But there is also an awareness that many factors influence consumer choices and there is competition from elsewhere (many mentioned our cultural attitudes to food - buying cheaply and not recognising the cost/value of good quality local food). There is a feeling that we need more joined up policy between economy, food, and health.
- **Diversification** is sometimes welcome (as is support for this), and often props up the food production side, but this relationship does not sit comfortably with everyone. Some feel strongly that the **food production** side is the most important.
- **Mental health is challenging in some communities** (this was mentioned especially by tenant farmers). There is uncertainty around future support, and what the transition means is weighing on people; they need clarity and a bit of support for that aspect.
- Some people struggle to **access information** about where to get the money from and employing consultants to help costs money. One participant felt that since Covid farmers have found it difficult to have access to agricultural officers.
- There are **links between agricultural and rural support and other legislation** - e.g., crofting legislation.
- As in other tables, participants at this table made the point about **infrastructure and services** underpinning resilient and successful agricultural businesses and rural communities. This includes being able to create small-scale renewable energy projects.
- **Policy needs to recognise the expertise of local people and communities**; it should empower local people and value the work that has already been done.

Question 5: How can a ‘**Rural Support Plan**’ be tailored so that all relevant stakeholders have an opportunity to **shape it** and receive the support they need from it?

Connection the Bill: The Rural Support Plan is a document that the Scottish Government must prepare, which sets out how the government plans to support agriculture and rural communities over the next five years. The requirement to produce this plan is set out in Section 2 of the Bill.

Facilitated by: Finlay Carson MSP

Carousel discussion themes:

- Stakeholders agree there **is a need to have the plan as soon as possible**. Some wondered whether it could be available before the end of the Bill process.
- There was a general sense that 5 years is a pragmatic length for the plan, but there’s also a need for **longer-term direction of travel** (e.g., a 20-year vision, a generational vision).
- Some participants noted that the rural support plan needs to set out **clear outcomes, objectives or targets** that the funding is going to deliver, and what **baseline** is being delivered against, as well as a **feedback loop** to evaluate progress. Participants also emphasised it needs to be accompanied by a **multi-year funding plan**. There was also support for **consultation** on the plan, though some noted consultation fatigue.
- It needs to address different contexts, sectors, and regions - some suggested there should be regional or sector plans.
- Participants said the Rural Support Plan **needs to address a wide range of issues**. It must address:
 - How **tenants** will be able to play a full role in the grants scheme, and a need for agriculture and rural policy reform to cohere with agricultural tenancy reforms expected in the upcoming Land Reform Bill.

- A consideration of **crofting** needs. While it was acknowledged that crofting has its own development plan, participants made the point that the rural support plan is where significant public spending will be outlined.
 - Consideration of the needs of **young people** in rural communities and generational renewal.
 - How the whole support programme will address **rural development/rural community** needs. Rural development practitioners felt there needs to be ring-fenced funding for this element, and the funding should be longer-term.
 - How support will enable **delivery of public goods as well as food production**.
 - **Co-operation and joint applications** for support, as well as enabling **interventions at scale**.
 - A consideration of the **whole landscape** and the need to integrate with other funding programmes, for example for forestry and conservation.
- Participants also asked whether the framework Bill itself could be more **specific, with targets**, and suggestions for how funding is distributed.
 - More generally, there was wider discussion around the **intended scope of a new policy in relation to rural development**. Though there were differing views on this, there was a clear point made that the success of land management businesses is underpinned by rural communities, and robust public services and infrastructure.
 - The missing bit for some people is **infrastructure and other rural support** that can make farming successful. There is still a question around the scope of the policy and what it aims to/should achieve.

Closing Plenary

After Members shared their key points from their respective carousel question, general questions and reflections were taken from the floor. In summary, participants raised the following points:

- Despite all the consultation, there is a disconnect between the Scottish Government and farmers.
- There needs to be more discussion around a just transition. If you're looking for just transition on the route to Net Zero, the assumption is that the current system is just, and we need to recognise that the current system is not just.
- In recent years people who have been working in carbon-intensive industries have been moving to local food industries. However, there are barriers to training people in the sector because e.g., Skills Development Scotland doesn't place a lot of emphasis or priority on farming. This raised a question of whether some of the funding flowing from the agriculture Bill should be used to pay for training and apprenticeships.
- Rural Scotland is only 15% of the population, but it looks after 90% of the land. It produces food and delivers all sorts of public goods - but farmers need a steer on what the country wants.
- Farming is about much more than growing food and this discussion is not just about farmers, it's about rural communities as well. Need to think about future policy as a way of integrating everything that the land gives us as a society.
- We have lots of legislation from government, but it doesn't always work locally. There is a need to take account of the diversity, the different approaches to farming/crofting, etc instead of assuming that it's all large farms. The small guys don't all work the same way as the big ones do.

- The conversation around agriculture and rural policy is happening when every sector and government departments are under budgetary constraints. We cannot fund everything, and there are going to have to be some hard decisions. There is a need to look at the potential unintended consequences with each of those decisions. However, there is money flowing through other routes, and there are people who are extracting value from rural areas – how are they investing that back into communities (in infrastructure, services, cash)?



Conclusions and Next Steps

Participants of the workshop clearly expressed that there are a lot of aspects of the current legacy EU CAP system that are not working. Across all five groups, people are feeling uncertain about the future and are asking to see evidence that there will be change, and greater certainty about the direction of travel. Some participants pointed out that they don't see evidence of that change and that direction of travel in the Bill as it currently stands.

In particular, difficulties were expressed by many farmers regarding successfully running their businesses without, for example, diversifying the business to areas beyond food production. It was said that often this is the profitable part of the overall enterprise, which then financially supports the food production side. Some participants were more comfortable with this than others; some felt that there should be more support for integration and diversification, for example into other land uses, ecosystem services or other business areas. Others felt strongly that this relationship does not sit comfortably with them, and that the food production side is the most important.

Moreover, it was expressed that, in smaller systems, it's difficult to access any schemes at all (e.g., due to the system of area-based payments), and for some groups, such as tenant farmers and crofters, it is difficult to participate fully in support programmes. There was a general sense that a new system needs to better cater to smaller actors, support collaboration between land managers,

and between land managers and other sectors, and better integrate across land uses and policy areas (e.g., land reform, crofting policy), to facilitate equal access to support.

There was an overriding feeling being articulated from participants that the whole system needs to change. There were some specific views on the Bill’s objectives, for example that the Bill should focus on ‘healthy, sustainable, and regenerative’ food should not be limited to “*on-farm*” nature restoration, climate mitigation and adaptation. More generally, there were views expressed that the Bill should be more explicit about certain issues, for example, soil health, and rewarding collective action. There were also a lot of views expressed regarding the interconnections between various needs, for example that farming is supported by rural communities and by local services and infrastructure and underpinned by generational renewal in land management sectors, and more widely by opportunities for young people in rural communities.

Members listened carefully to all participants during the workshop and will be feeding this evidence into their wider Stage 1 reporting. Members also had the opportunity to directly feed some of the workshop’s observations into their subsequent questioning of the Cabinet Secretary on Wednesday 21st February. You can watch / read minutes from this evidence session [here](#).

At the end of Stage 1, the Committee will publish a ‘Stage 1 Report’ based on its findings. This will be followed by a Chamber Debate when MSPs will decide whether they agree with the purpose (or “general principles”) of the Bill.

The Bill’s Stage 1 Report will be published before 29th March 2024, and you can watch the Stage 1 Chamber Debate on the general principles of the Bill shortly after this deadline, we will notify you via emails.

Thank-you greatly for your time and participation in the workshop. We also appreciate the feedback we have received from many attendees via the workshop’s [evaluation survey](#), which will support us in organising events like this in the future.

Appendix 1: Workshop Agenda

Time	Activity
09:30 - 10:00	Participants arrive, teas/coffees served (30 mins)
10:00 - 10:15	Arrival and welcome from Convener (15 mins)
10:15 - 10:45	Carousel Round 1 (30 mins)
10:45 - 11:15	Carousel Round 2 (30 mins)
11:15 - 11:30	Coffee Break (15 mins)
11:30 - 12:00	Carousel Round 3 (30 mins)
12:00 - 12:30	Carousel Round 4 (30 mins)
12:30 - 13:15	Lunch Break (45 mins)
13:15 - 13:45	Carousel Round 5 (30 mins)
13:45 - 14:00	Participant rapid prioritisation (15 mins)
14:00 - 14:30	Plenary feedback on all 5 questions (30 mins)
14:30 – 15:00	Q&A / reflections from the floor (30 mins)
15:00 – 15:30	Close and departure