

## **CONSULTATION ON REVIEW OF THE CROFT HOUSE GRANT SCHEME – RESPONSE FORM**

**Q1 – The Scottish Government proposes to replace the 3 present Geographical Priority Areas with 2 new areas. These new areas are suggested to be the Island and Non-Island Areas used for Common Agricultural Policy assistance. Do you have any comments on this proposal?**

In principle the proposals appears reasonable. However, Community Land Scotland considers that the costs associated with building and improvement in the most remote mainland areas can be every bit as high as island areas generally, and potentially greater than in some island areas.

It is recommended that a discretion should exist to where it can be shown that in any particular instance costs at a mainland location are as high as and therefore equivalent to island costs.

**Q2 - The Scottish Government proposes to increase the levels of assistance to £28,000 and £23,000 for the proposed new high and standard priority areas. This represents a significant increase in the available assistance and also future proofs that assistance. Do you have any comments on this proposal?**

While recognising the importance of this uplift in funding and welcoming it, Community Land Scotland is concerned that it is insufficient to meet the real demands crofters face both through potential cash flow requirements in advance of a mortgage being obtained, and in the absolute costs of building in island and remote mainland areas.

Comhairle nan Eilean Siar has argued for a significantly higher figure (£50,000) and given a well-reasoned case for this. CLS has no reason to disagree with the figure suggested by CnES.

**Q3 – The Scottish Government considers that the costs of making improvements to housing is broadly similar irrespective of location; and therefore proposes to standardise the assistance offered to 40% of the actual costs of improvement up to the proposed maximum of £28,000 in the proposed new Island geographical area; and up to the proposed maximum of £23,000 in the proposed new Non-Island geographical area. Do you have any comments on this proposal?**

CLS considers that supporting improvement is an important part of the scheme and that, particularly in areas of recognised high fuel poverty, improvement may be the optimal way of advancing for many crofting families. The costs of improvement are also high and CLS do not believe they are necessarily less than new build.

The proposals represent a reduction in support for improvement, and this is felt to be unwise in meeting the real needs of crofting families. CLS recommend that the intervention rates for improvement should not be at only 40% of the upper limit, but should be able to rise to the full upper limit.

**Q4 – The Scottish Government shall continue to fund construction or improvement of houses appropriate to the immediate, or near future needs, of the applicant crofter household; with the requirement that all new houses, with rare exception, should have no fewer than 3 bedrooms. Do you have any comments on the continuation of this policy?**

CLS agree with the proposal.

**Q5 – The Scottish Government proposes to offer no assistance towards the construction of a 3 bedroom house costing more than £170,000. The Scottish Government also proposes that an additional £15,000 will be added to the cap for each additional bedroom required in a house to meet the immediate, or near future needs, of the applicant crofting household. For example, no assistance would be offered to a 4 bedroom house costing more than £185,000 or to a 5 bedroom house costing more than £200,000. Do you have any comments on this proposal?**

The general proposition is reasonable. However, there should be discretion that, where it can be shown it is justified against actual estimates of the cost, and for a house that is not over specified in its design, the £170,000 upper limit can be raised to achieve the objective of a 3 bedroom house, to the actual estimate. Similar discretion should apply to additional bedroom costs in these circumstances.

**Q6 - The Scottish Government proposes that non-implementation of business plans will, in future, become a condition of grant that, where breached, may lead to action to recover grant amounts. Do you have any comments on this proposal?**

This proposal appears reasonable, provided there is discretion to consider the issue if a change to the plan is caused out-with the control of the applicant or is itself reasonable because of changed circumstances.

**Q7 – The Scottish Government proposes to offer CHGS assistance on the construction of croft houses on land adjoining the croft, or adjacent if there is no adjoining land. Do you have any comments on this proposal?**

This appears as a reasonable and welcome additional flexibility to the scheme.

**Q8 – The Scottish Government proposes to offer CHGS assistance for the improvement of houses whose historical link to the croft has been removed by decrofting. Do you have any comments on this proposal?**

This appears as a reasonable and welcome additional flexibility to the scheme.

**Q9 – Do you have any comments relating to other aspects of CHGS that you would like the Scottish Government to be aware of?**

No further comment.