

## SCOTTISH RURAL DEVELOPMENT PROGRAMME 2014 – 2020

### RURAL DEVELOPMENT OPERATIONAL COMMITTEE (RDOC) - 2<sup>nd</sup> May 2019

Minutes of the meeting

List of people attending

John Kerr, <i>Chair</i>	SG - ARD	Jim Millard	SG-ESF
Darrell Crothers	SEPA	James Rose	SG-SRN
Julia Latto	Scottish Enterprise	David Barnes	SG-ARD
Anna Brand	Scottish Env Link	Shirley Graham	SG-ARD
Jamie Farquhar	CONFOR	Michael Wilson	SG-ARD
Jon Hollingdale	Community Woods	Alistair Prior	SG-SRN
Susan Smith	COSLA (East Lothian)	Alan Robertson	SG-SRN
Egle Puosiunaite	European Commission	Matthew Cable	SG
Brendan Callaghan	Scottish Forestry	Lawrence Rosie	SG
Ross Lilley	SNH	Neil Henderson	RESAS
David Michie	Soil Association Scotland	<b>Secretariat</b> Stoyan Stoyanov	SG-ARD

### Welcome and apologies

1. The Chair, John Kerr, welcomed the members to the first Rural Development Operational Committee (RDOC) meeting for the year. He shared with the group his experience from a recent visit to the Isle of Skye and emphasised the positive impact that rural grants had on the local community and economy. The Chair then invited Shirley Graham (SG1) and Egle Puosiunaite (EP) to share with the group their experiences from a recent visit they had to two projects in East Lothian funded through LEADER. SG1 shared some information with the group about the two projects and highlighted how effective both projects were at taking advantage of the geography that surrounded them and using that to develop their businesses. This was supported by EP, who expressed her admiration for the work that was being done and applauded the effective use of EU funding to diversify their agricultural portfolios. She mentioned her intention to share, in a newsletter around the European Commission, these great examples of inspiring SRDP projects. Susan Smith (SS) thanked EP for her generous comments and advised that she would be feeding back to those involved in the Tyne Esk LAG.
2. Stoyan Stoyanov provided the list of apologies given: Jackie Thomson – Scottish Islands Group, Stephen Field - SEPA, Julian Pace – Scottish Enterprise, Kirsten Beddows – SG-ARD, Claudia Rowse –SNH, Vicky Swales – Scottish Environment LINK, Bryan McGrath – Local Action Groups, Alexander Bartovic – European Commission

## **MINUTE FROM THE PREVIOUS RDOC HELD ON 24 OCTOBER 2018 AND MATTERS ARISING ([Link to document](#))**

3. The Chair opened this section of the meeting by asking members if they had any comments on the overall content.
  4. The minutes were accepted, as an accurate record of the meeting.
  5. Stoyan Stoyanov (SS1) provided a short update on the actions and advised that there will be a presentation on the work of the Rural Innovation Support Service at the end of the meeting.
  6. Anna Brand (AB) enquired about the pilot programmes, which would inform future agricultural support upon their completion. The Chair advised that the Scottish Government is always open to suggestions for new pilot programmes, however, such a discussion would be out with remit of the RDOC and offered to take it offline.
  7. The Chair invited Ross Lilley (RL) to update the group on the progress of the monitoring of the Agri-Environment Climate Scheme (AECS). RL informed the committee that the monitoring was going to focus on 30-40 case studies spread-out between three cluster areas covering a variety of different projects. He proceeded to explain how the information would be collected and that it would be up to the contractor to suggest the most efficient way of completing the work. The monitoring of the scheme is to be completed in the first quarter of 2020 and it will act as a baseline for future monitoring of the scheme.
  8. This was welcomed by the Committee, as positive development and a good starting point for future monitoring.
  9. Anna Brand (AB) questioned how we will make sure this is taken forward in the future. There is a need to ensure that the monitoring does not just look at biodiversity but also includes water quality. This would be considered a step in the right direction.
  10. The Chair emphasised on the importance of the outcome of the study, as an invaluable source of evidence, which would help to inform future agricultural policy in Scotland.
  11. Alistair Prior (AP) acknowledged that the monitoring of AECS also presented a great opportunity to communicate to the wider public the difference that the funding had made for farming businesses across Scotland.
  12. Jon Hollingdale (JH) enquired about the progress that the research (*'Public Attitudes Survey on Food, Environment, Agriculture and Rural Policies'*) undertaken by Graeme Beale's team had made.
  13. Neil Henderson (NH) reassured the group, that the results from the study will be shared at the Royal Highland Show in a months' time.
- 3. STANDING ITEMS:**
- **3.1: Programme Progress report (RDOC/2019/0065) ([Link to document](#))**
14. The Chair indicated that the Joint Programme Monitoring Committee (JPMC) was under review and invited members of the group to provide additional insight.

15. Jim Millard (JM) further clarified that this was being done to create a more effective way of monitoring the different structural funds. He advised that the RDOC could be established as the official monitoring committee of the Scottish Rural Development Programme. He proceeded to explain that this would be more practical and would give the RDOC more focus and leverage in its interrogation of the Scottish Government about the performance of the Programme.
16. EP also confirmed that should the JPMC be disbanded, this would give more responsibilities to the RDOC and the ability to effectively scrutinise the Scottish Rural Development Programme.
17. The Chair proceeded to present the Programme progress paper and advised that standing items 3.3 and 3.4 will be addressed in section 4 of the paper and the Brexit update will be given by David Barnes (DB) later in the meeting.
18. SS1 thanked the Committee for their feedback on Modification 5 of the Scottish Rural Development Programme and advised that another modification round is expected in 2019 and will likely be financial.
19. NH reiterated this and spoke about the need to move money around in order to ensure that we are compliant with EU regulations.
20. He continued by taking the group through the Performance Framework table and informed them about the planned monitoring of the Farm Advisory Service (FAS). He further advised that the contractors will focus on evaluating the one to one element of their service and hoped to contact 120 beneficiaries to learn about the benefit of the advice that they had received through FAS.
21. Darrell Crothers (DC) enquired if it is possible to get a break breakdown for the spent through Priority 4 (Performance Framework table). NH advised that such a breakdown is impossible due to the structure of the programme.
22. He also informed the group about the planned monitoring of LEADER, the Food Processing Marketing Co-operation (FPMC) scheme and the Scottish Rural Network in 2019.
23. The evaluation of LEADER will look back at the performance of the scheme from the 1990's going forward and it will be invaluable in informing future policy options.
24. FPMC has an intern who will be looking at the applications and annual reports to see how the different projects have been performing.
25. AB enquired if the FPMC monitoring will evaluate against some of the values of the Scottish Government (SG).
26. AP acknowledged that the scheme hasn't changed since 2007 and enquired if the monitoring would go back to the previous Rural Development Programme.
27. NH to feedback the committees comments to the person doing the evaluation.
28. NH shared with the group, the progress that had been made so far on the monitoring of the Enhanced Annual Implementation Report and advised that the contractors will be contacting some of the RDOC members to get their views on the performance of the programme. Once the report is completed it will be circulated within the RDOC group.

29. The Chair advised the group that the majority of the budget is committed and there will be less flexibility for the remainder of the programme due to pressure on the Scottish Government's budget.
30. EP expressed admiration for the performance of the Scottish Rural Development Programme and advised that the European Commission does not see any risks around the funding or milestones of the programme.
31. She also shared some statistics about the positive performance of the Scottish Programme in comparison to the rest of the EU.

Financial execution	
SRDP	51.3%
EU average	41%

Commitment rate	
SRDP	62.4%
UK average	59%
EU average	51%

32. AB asked if the rates of funding between Pillar I and Pillar II could be increased.
33. The Chair advised that Ministers have chosen so far not to increase the rates.
34. The Chair also informed the group that the error rate is higher than initially anticipated. The source of the error has been identified and addressed in order to prevent this from reoccurring. A letter from the European Commission is also expected shortly about the situation.
- **3.2: Scheme update (RDOC/2019/0066) ([Link to document](#))**
35. SG1 updated the group on the current status of the schemes and advised that most of them were performing very well, with the exception of Broadband, which has now closed as the last project had withdrawn.
36. She informed the committee that the application round for AECS was extended and closed for Agri environment applications on 17 April. There were 630 applications received which is slightly down on previous years which is thought mostly to be due to Brexit uncertainty. The window for collaborative applications is still open until 31 May and for stand-alone slurry stores the deadline is 26 June.
37. The group expressed concern about the falling numbers of approved projects for AECS Slurry Stores. An action was taken for the issue to be further investigated and reported back to the RDOC.
38. SG1 provided an update on the success of Improving Public Access with a further 51 successful applications in 2018, final numbers have not yet been confirmed as some contracts were still to be issued as awaiting planning consent.
39. JH enquired about the future of the Improving Public Access scheme and the likelihood of more funding becoming available through the scheme.
40. SG1 explained that the initial budget of the scheme was £6 million, however, an additional £2.5 million had been made available due to the overall success of the scheme.

41. JH also noted that according to the document half of the AECS budget was spread across three area offices.
42. SG1 explained that those 3 offices cover a large proportion of the country and have a greater number of eligible applicants so proportionately the spend is likely to be evenly spread.
43. SG1 confirmed updated figures for Beef Efficiency Scheme had been received after circulation of documents to the RDOC. Total approvals are 1520 with a total value committed £12.09m.
44. SG1 also highlighted the continued success of LEADER projects. Information that recently became available indicated that the projects had created 241 jobs. Indeed one of the projects seen on the visit the previous day projected to create 2.5 jobs and they now employed 15.
45. The committee showed an interest in the training that was being offered through FAS to farmers and enquired to see a list. An action was taken for a list with training opportunities provided through FAS to be provided.

**ACTION 1:** Investigate the falling numbers of approved applications for AECS Slurry Stores and report back to the RDOC.

**ACTION 2:** Secretariat to compile a list with training opportunities provided through FAS.

- **3.3: Annual Strategic Communications Plan 2019/20 (RDOC/2019/0067)**  
([Link to document](#))

46. James Rose (JR) informed the committee that the Agriculture and Rural Economy comms team has continued to release case studies and news releases relating to SRDP schemes, as well as running a social media campaign to promote applications to AECS, and tying in with the Scottish Rural Network's LEADER legacy campaign.
47. He advised that the Rural Innovation Support Service have had a busy first full year, organising several stakeholder events, gaining good exposure in the farming press and working with SRN to produce a short film of their first operational group.
48. JR brought to the attention of the committee that there was a parliamentary reception for the LEADER programme in February this year, which was organised by LEADER LAG staff with assistance from the Scottish Rural Network, and that was a really positive event with a social media campaign around it and two new compilation films of LEADER funded projects.
49. He proceeded to highlight that the Scottish Rural Network had grown its audience by around 20% across all channels, website, social media, video views and newsletter subscribers, produced 20 new SRDP case studies including 14 films, delivered events like the OECD rural development conference and the Rural Transport Convention, supported the National Council of Rural Advisors and Islands Plan consultations and run campaigns such as Rural Youth August, which promoted several SRDP funded projects for or run by young people in Scotland

50. JR advised that in the context of Brexit and the approaching close of the programme, the overarching objective of SRDP comms over the next year will be to reflect and demonstrate what the SRDP had achieved for Scotland's communities and the rural economy.
51. He advised that SRN will play a big part in that by working with schemes and policy colleagues to produce a range materials that cover the whole programme, not just the schemes that have been most heavily promoted in the past such as LEADER.
52. Going forward into the next year, discussions are ongoing to start up a new quarterly meeting run jointly between ARE comms and the SRN that gathers together comms teams from all SRDP stakeholders, at which this strategy will be a standing item and progress will be discussed and monitored.
53. JH talked about the messaging around climate change and the need for comms to update its content and acknowledge that there is going to be a change in the future.
54. AP also commented on the subject and advised that in future the story needs to focus on the outcomes, rather than the actions of individual schemes.

- **3.4: SRN Work Programme (RDOC/2019/0068) ([Link to document](#))**

55. Alan Robertson (AR) presented the paper to the group and spoke about the SRNs communication activities for 2018/19.
56. He highlighted some of the bigger events that had generated a lot of interest from both domestic and external stakeholders like the Scottish Rural Parliament held in Stranraer and the Rural Transport Convention held in Inverness.
57. AR also shared with the committee how the SRN hosted a delegation from Denmark and Estonia, who had the opportunity to see several SRDP funded projects in rural Scotland.
58. He finished his update by emphasising that SRN can co-ordinate for any RDOC members and welcome opportunities to work with them.

#### **4. BREXIT UPDATE**

59. David Barnes (DB) reiterated the Scottish Government's opposition to Brexit and their backing for another referendum on Brexit - a so-called People's Vote – to break the gridlock at Westminster.
60. He discussed the Article 50 extension to 31 October and on-going talks between United Kingdom Government (UKG) ministers and the Labour Party in an attempt to reach an agreement in time to enable the UK to not participant in European Parliament elections. The fundamental issues at Westminster remain unresolved despite the extension and the UK is still in the same position that unless the Withdrawal Agreement negotiated by the UKG is passed, the options are no deal or seeking another extension. This is the scenario that administrations across the UK are planning for.
61. DB discussed some of the contingency planning around a no deal that had taken place with the Scottish Government Resilience Room (SGoRR) and policy area Resilience Hubs operating underneath it such as the Coastal and Rural Operations Centre. The focus of the emergency response effort has been on major issues such as ensuring supply of medicine and food in Scotland in the event of a no deal. Important but less urgent issues of Brexit impact would be dealt with through more traditional means. The resilience rooms

have been stood down due to the Article 50 extension but could be stood back up if required.

62. Looking beyond the transition period envisaged in the Withdrawal Agreement, the 2021-onwards relationship and future economic partnership (FEP) remains to be negotiated and no serious negotiations have taken place. Devolved policy areas will be seriously impacted by this and there is a need to inform the UKG position. It is still unclear what role the devolved administrations will have in any negotiations.
63. DB mentioned the recent Agriculture Bill developments within the UK. Within the UK Agriculture Bill there are policy areas that the UKG believe are reserved while the SG believe them to be devolved based on legal analysis. The Defra Bill was introduced last Autumn but there is uncertainty on how quickly it can be progressed through the UK Parliament. The Scottish Bill timing will not be confirmed until the future legislative programme is announced, probably immediately after the summer break. This Bill will be in line with the stability and simplicity consultation with the intent to only make minor changes from 2021 onwards. Mr Ewing confirmed there would be a Scottish Bill during his Future Rural Policy and Support parliamentary debate on 10 January.
64. Progress on the UK wide frameworks has been moving very slowly as Defra have focused on their Agriculture Bill and SG have focused on no deal contingency planning. Work is progressing but rural support is not considered to be one of the most urgent issues.
65. There is no news on funding. The UKG has still not clarified the scope of their commitments in relation to farm support although Defra agrees with the devolved administrations' view that farm support should cover all of both Pillars of the CAP. The spending review is uncertain due to Brexit including whether it would be a multi-year or single year review.
66. JF enquired for an update on the progress on the Bew Review on convergence and asked how the money would be distributed, if Scotland was successful in securing the return of the £160 million.
67. The Chair advised that more evidence will be submitted by stakeholders and economists in order to build an accurate representation of events. He also reiterated the Scottish Government's position that the money will go to the people with the lowest per hectare payments.
68. JH questioned if any progress could be made on reaching the net zero target up to 2024.
69. DB informed the group that, assuming Brexit goes ahead, policy changes up to 2024 would be possible within the scope of the approach envisaged in the Stability and Simplicity consultation, namely retaining but improving the current suite of schemes.
70. AB enquired on the progress of the post 2024 planning and the ability of the Scottish Government to start implementing it from 2024.
71. The Chair informed the group that an official commitment has been made for the setting up of a working group, which to look into this. The planning is currently progressing internally with external stakeholders to be included once the terms of reference of the group are finalised.
72. AB expressed an interest in how this group would be set up and requested transparency in how appointments were made.

73. AP enquired about the possible option of staying in the EU and if the new CAP had been studied.
74. DB shared with the group that the future CAP is being tracked, but inevitably not to the extent that it normally would (if Scotland were remaining in the EU and definitely needing to negotiate and implement it), because of the Brexit preparations and the limited resources that are available.
75. JF informed the committee that funding for Forestry is vital and any loss of momentum could result in the sector falling behind and needing 3 to 4 years to recover.
76. BC reassured the group that the intention is to mirror CAP until 2020 and then from 2021 the Scottish agricultural bill would take over. However, the overarching strategy is to maintain a close relationship with the EU in the future and mirror the CAP.

**ACTION 3:** Secretariat to report AB's comments and provide an update on appointment once the group is established.

## **5. RURAL INNOVATION SUPPORT SERVICE (RISS)**

77. David Michie (DM) from Soil Association Scotland joined the meeting. DM and AP gave a talk to the committee about the work that RISS does. [The presentation can be found online.](#)

The Chair thanked David and Alistair for their educational presentation.

## **6. AOB**



**Actions:**

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**ACTION 2:** Secretariat to compile a list with training opportunities provided through FAS.

**ACTION 3:** Secretariat to report AB's comments and provide an update on appointment once the group is established.