POLICY NOTE

THE CROFT HOUSE GRANT (SCOTLAND) REGULATIONS 2016

SSI 2016/63

The above instrument was made by the Scottish Ministers in exercise of the powers conferred by section 42(6) of the Crofters (Scotland) Act 1993 (as read with sections 42(4), 44 and 45(1)(ca) of that Act) and all other powers enabling them to do so.

Purpose of the Croft House Grant Arrangements

The purpose of the Croft House Grant Arrangements is to allow for provision by the Scottish Ministers of assistance by way of grant to crofters, cottars and owner-occupier crofters to build or improve their homes. These grant arrangements are made under the powers in sections 42(4), 44 and 45(1)(ca) of the 1993 Act and are set out in guidance.

Policy Objectives

This instrument makes regulations which support the Croft House Grant Arrangements. It will revoke and replace the Croft House Grant (Scotland) Regulations 2006 (SSI 2006/214). However, applications made and grants awarded under the 2006 Regulations will continue to be governed by those Regulations and the guidance that accompanied them.

The policy objective of these Regulations and the Croft House Grant Arrangements is to provide for and improve the standard of crofter housing, with the aim of attracting and retaining people within the crofting areas of Scotland.

The Regulations prescribe the conditions to be observed with respect to grant assisted dwelling-houses and provide power to recover the grant plus interest in the event of a breach of conditions. The maximum period for which the conditions apply in the case of erection of a dwelling-house has been reduced from 15 years to 10 years. The period for which the conditions apply in the case of rebuilding or improvements to an existing dwelling-house will continue to be 10 years. The Regulations also prescribe the form of notices to be recorded or registered in the Register of Sasines or Land Register of Scotland when conditions apply to a dwelling-house and when they cease to apply.

The instrument also meets an undertaking given to the Subordinate Legislation Committee in relation to SSI 2006/214. The then Scottish Executive undertook that when that instrument was next amended the provision at regulation 10(4) would be amended to remove the apparent sub-delegation of power to Scottish Ministers to determine an alternative rate of interest to be applied to the proportion of the grant repayabe where a grant condition had been breached, and that the apparent sub-delegation of power would not be exercised meantime. This is addressed in regulation 7(1)(b) of the instrument. While regulation 8(2)(b) of this instrument saves regulation 10 of the 2006 Regulations in relation to grant applications made before the coming into force of the present instrument, this will be relevant only in a limited number of cases where recovery of such grants may be required for breach of conditions under the 2006 Regulations. Additionally the Scottish Executive undertook that when SSI

2006/214 was next amended, the incorrect reference to “standard priority area” instead of “standard level priority area” would be corrected. That term has not been replicated in the present instrument.

Consultation

The public consultation took place from 6 January to 31 March 2015. The consultation paper, responses and the analysis report on these Regulations and the Croft House Grant Arrangements have been published on the Scottish Government website:
http://www.gov.scot/Publications/2015/01/4893
http://www.gov.scot/Publications/2015/06/6117
http://www.gov.scot/Publications/2015/08/1727

An additional targeted engagement with key stakeholders that responded to the original consultation took place from 9 November to 4 December 2015.

Impact Assessments

An equality impact assessment has been completed on the policy of offering the proposed grants to crofters and is attached. No equality impact issues have been identified during this process.

Financial Effects

A full Business and Regulatory Impact Assessment (BRIA) has not been completed as the policy is not expected to have any additional impact upon business, public sector or third sector organisations.

Directorate for Agriculture Food and Rural Communities
28 January 2015