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SCOTTISH STATUTORY INSTRUMENTS

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**2016 No. 63**

**The Croft House Grant (Scotland) Regulations 2016**

**Citation and commencement**

1. These Regulations may be cited as the Croft House Grant (Scotland) Regulations 2016 and come into force on 1st April 2016.

**Interpretation**

2. In these Regulations, “grant” means assistance provided by the Scottish Ministers by way of grant towards the erection or improvement or rebuilding of a dwelling-house, in accordance with arrangements made by them under section 42(4), section 44, or section 42(4) as read with section 45(1)(ca), of the Crofters (Scotland) Act 1993.

**Period of grant conditions**

3. Where a grant has been provided in respect of a dwelling-house, the conditions in regulation 4 apply for the period of ten years beginning with the date of completion of the work for which the grant is provided.

**Conditions of grant**

- 4.—(1) The dwelling-house must be occupied as an only or principal home by—
- (a) a crofter;
  - (b) a cottar;
  - (c) an owner-occupier crofter; or
  - (d) a member of the family of a person in sub-paragraph (a), (b) or (c).
- (2) The dwelling-house must be maintained in a good state of repair.
- (3) The dwelling-house must be kept insured against destruction and damage for a sum of not less than the amount of the grant.
- (4) Before any of the steps in paragraph (5) is taken in relation to the dwelling-house, the person mentioned in paragraph (6) must—
- (a) inform the Scottish Ministers of the proposed step in writing;
  - (b) provide the name and address of any proposed new tenant or owner; and
  - (c) obtain the prior written consent of the Scottish Ministers to the proposed step.
- (5) The steps are—
- (a) renunciation, assignation or sub-lease of the tenancy;
  - (b) sale; or
  - (c) lease.
- (6) The person is—
- (a) in the case of a dwelling-house that is part of, or relates to, a croft—

- (i) the crofter or owner-occupier crofter for the time being; or
- (ii) any assignee or transferee of that person's interest in the dwelling-house; and
- (b) in the case of a dwelling-house that is part of, or relates to, the holding occupied by a cottar—
  - (i) the cottar for the time being; or
  - (ii) any assignee or transferee of that person's interest in the dwelling-house.

### **Recording or registration of notice**

5. Where the conditions in regulation 4 apply, the Scottish Ministers must cause to be recorded in the Register of Sasines or registered in the Land Register of Scotland a notice in the form set out in Schedule 1 specifying the conditions which by virtue of regulation 4 apply to the dwelling-house.

### **Recovery of grant**

6.—(1) In the event of a breach of a condition in regulation 4, the Scottish Ministers may, after giving notice in writing to the person specified in paragraph (5) of this regulation, recover from that person as a debt—

- (a) a sum calculated in accordance with paragraph (2) of this regulation; and
- (b) interest on that sum at the rate of 8 per cent per annum above the Bank of England base rate, calculated on a daily basis, from the date on which payment of the grant was made until the date of repayment.

(2) The sum is a sum bearing the same proportion to the grant as the period between the date of the breach of the condition referred to in paragraph (1) of this regulation and the expiration of the period specified in regulation 3 bears to the whole of that period.

(3) In any legal proceedings brought pursuant to paragraph (1), a certificate of the Scottish Ministers which—

- (a) sets out the Bank of England base rate applicable during a specified period; and
- (b) includes a statement that the Bank of England notified the Scottish Ministers of that rate for that period,

is evidence of the rate applicable during that period.

(4) In this regulation, “the Bank of England base rate” means—

- (a) except where sub-paragraph (b) applies, the rate announced from time to time by the Monetary Policy Committee of the Bank of England as the official dealing rate being the rate at which the Bank is willing to enter into transactions for providing short-term liquidity in the markets; or
- (b) if an order under section 19 (reserve powers) of the Bank of England Act 1998<sup>(1)</sup> is in force, an equivalent determined by the Treasury under that section.

(5) The person is—

- (a) where the breach is a breach of a condition in regulation 4(4), the person who by virtue of regulation 4(6) was required to comply with that condition;
- (b) where the dwelling-house in respect of which a grant has been provided becomes vacant on the death of the person mentioned in regulation 4(6), the executor of the deceased in that person's capacity as executor;
- (c) where the tenancy of—

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(1) 1998 c.11.

- (i) the croft; or
- (ii) the holding occupied by a cottar,

relating to the dwelling-house in respect of which a grant has been provided terminates otherwise than on the death of the tenant and the dwelling-house is unlet, the person who was the last tenant of that croft or holding; and

- (d) in any other case, the person mentioned in regulation 4(6).

(6) The Crofting Commission may act on behalf of the Scottish Ministers for the purpose of exercising functions under this regulation.

### **Termination of grant conditions**

7.—(1) The conditions in regulation 4 cease to apply before the expiry of the period in regulation 3 where—

- (a) the sum in regulation 6(1)(a) and interest in regulation 6(1)(b) is recovered in accordance with that regulation; or
- (b) prior to the serving of a notice under regulation 6(1), the person mentioned in regulation 6(5) repays to the Scottish Ministers, or to the Crofting Commission on behalf of the Scottish Ministers, a sum bearing the same proportion to the grant as the period between the date of repayment and the expiration of the period specified in regulation 3 bears to the whole of that period.

(2) Where paragraph (1) applies, the Scottish Ministers must cause to be recorded in the Register of Sasines or registered in the Land Register of Scotland a notice in the form set out in Schedule 2 to these Regulations.

### **Revocation and saving**

8.—(1) The Croft House Grant (Scotland) Regulations 2006(2) are revoked, subject to paragraphs (2) and (3).

(2) Notwithstanding paragraph (1), those Regulations continue to apply on and after 1st April 2016 in relation to—

- (a) any payment of grant under regulation 3 (as read with 4 and 5) of those Regulations;
- (b) any application for grant under regulation 6 of those Regulations;
- (c) any claim for payment of grant under regulation 7 of those Regulations;
- (d) the conditions of grant under regulations 8 and 9 of those Regulations;
- (e) the recovery and repayment of any grant under regulation 10 of those Regulations; and
- (f) the termination of conditions of grant under regulation 11 of those Regulations,

where the application for grant was made before 1st April 2016.

(3) In paragraph (2), an application for grant is made on the day it is received by the Scottish Ministers in the form, and with the information, specified by the Scottish Ministers under regulation 6(1) of the Croft House Grant (Scotland) Regulations 2006.

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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St Andrew's House,  
Edinburgh  
28th January 2016

*AILEEN McLEOD*  
Authorised to sign by the Scottish Ministers