

# Letter from Scotland

**It's been a cold week. The temperature has fallen to a chilly 4 or 5 C in most of Scotland. It reached minus 11.2°C in Braemar, the lowest temperature for mid-November for 26 years.**

Snow fell in many parts of the Highlands and the North East. Around 100 schools had to close. And all this was in contrast to a very mild spell at the beginning of the month. More evidence of our increasingly unstable weather.

Our 67,000 farmers know more about it than most. They've been appealing to the government, and the general public, to understand their present plight and their role in providing half of our food. They have mounted their tractors and taken to the streets of London and Edinburgh and Orkney to protest against "the last straw", the UK government's decision to impose a 20 per cent inheritance tax on all farms worth more than £1m.



The first frost of the winter dusts the playing fields of Arthur's Seat.

This, the farmers say, would drive many family farms out of business. Sons and daughters would not be able to pay the death duties out of their meagre earnings. When their parents die, they would be forced to sell the farm, which may have been in the family for generations. This comes at the end of a long list of woes, up to now ignored by the public and the government. They include the uncertainty over state subsidies following Brexit, the rising costs of fuel, animal feed and fertiliser, the low prices for their produce imposed upon them by the supermarkets and the vagaries of the weather.

The UK Government says the fear over inheritance tax is much exaggerated. Not all of the 70,000 farms across Britain that are worth over £1m will be subject to inheritance tax. It says the figure is below 500, when the farmer's wife's share, is taken into account and these will be the larger estates. Even



then the tax is only 20 per cent, not the usual 40 per cent, and owners will be given 10 years to pay. Besides, the tax department needs to close the loop-hole which has allowed wealthy people to buy up agricultural land to avoid inheritance tax.

Whatever the rights and wrongs of the argument, the new Labour government has run into a culture war it should have avoided. Town versus Country is always a sensitive issue. We saw that when fox-hunting was banned 20 years ago, in both England and Scotland. Thousands of horn-blowing, horse-mounted, green welly-ed country-folk took to the streets, not just to defend fox-hunting but to protect their way of life.



Sir Keir Starmer MP, The Prime Minister (Holborn and St Pancras, Labour)

As in the case of ending the winter fuel payment, neither Sir Keir Starmer nor Rachel Reeves foresaw the trouble their policies would cause. Surely they will now mitigate the changes and claim they are a listening government. This they could do without losing a lot of tax revenue. The genuine

family farms could be distinguished from the land investors by a time qualification or a means test. And on the winter fuel payment, it could be given to all those eligible for pension credit whether they claim the benefit or not.

In the unlikely event of the UK Government not listening, The Scottish Government might try some mitigation of its own. The Labour leader in Scotland Anas Sarwar has already called on the first minister John Swinney to do this in the case of the winter fuel payment. It will be interesting to see if the Scottish budget has anything to say on this when it is announced on 4 December.

The finance secretary Shona Robison will have a tough job allocating the £40 billion she has at her disposal. Every department is crying out against the austerity they've been suffering for the last two decades. NHS waiting times are at record levels. Schools are cutting hours or teaching assistants, and in Glasgow's case, teachers. Universities and colleges are heading for deficits. Local councils are £1bn short of funds to keep services running. Police numbers are set to fall drastically and the prisons are so over-crowded parliament had to vote this week to release most short-term prisoners after they had served just 40 per cent of their sentence.

The auditor general Stephen Boyle has pointed out in his latest report that the Scottish government has been short of "fiscal sustainability". It's a kind way of saying it has stumbled from funding crisis to funding crisis, with no long-term plan to pay the bills. He suggests "reform" of the public services to make them viable. Government ministers too talk of reform but are slow to get round to it. Spending on preventive measures in health or crime, for example, is less glamorous than building hospitals and prisons, and it takes much longer to yield results. Politicians want immediate impact and we let them get away with it.

Weary readers who have been following the Hebridean Saga of the "Glen Sannox", will be relieved to learn that the ship has finally passed all its tests and has been handed over by Ferguson's shipyard on the Clyde to Caledonian MacBrayne. It will come into service on the Arran route in January, six years after it was first commissioned. Now that IS long term planning...of sorts.