

# CROFTING COMMISSION

## MINUTE OF THE COMMISSION SPECIAL MEETING HELD AT 5PM BY TEAMS ON 4 MARCH 2021

Present:	Rod Mackenzie	Convener
	Andy Holt	Commissioner
	Mairi Mackenzie	Commissioner
	Malcolm Mathieson	Commissioner
	Iain Maciver	Commissioner
	David Campbell	Commissioner
	Billy Neilson	Commissioner
	Cyril Annal	Commissioner
	James Scott	Commissioner
	Bill Barron	Chief Executive
	Aaron Ramsay	Head of Digital & Improvement
	David Findlay	Commission solicitor
	John Toal	Head of Policy & Grazings
	Joseph Kerr	Head of Regulatory Support
	Mary Ross	Head of Operations & Workforce
	Heather Mack	Head of Development (until 18:15)
	Neil Macdonald	Head of Finance
	Jane Thomas	Head of Compliance and minute taker
	Betty Mackenzie	Communications Manager
	Aileen Rore	Sponsor Division
	Gordon Jackson	Sponsor Division
	John Kerr	Sponsor Division
	Conor Healy	External Audit

13 members of staff attended all or part of the meeting, as observers.

### **1 APOLOGIES AND WELCOME**

The Convener welcomed everyone to the meeting, with a greeting in Gaelic, followed in English.

### **2 DECLARATION OF INTERESTS**

The Convener asked if anyone had an interest to declare in the business proceedings of the meeting. There were no declarations of interest.

### **3 PAPER: DEPLOYMENT OF ADDITIONAL RESOURCES IN 2021/22**

The Convener gave some background information, explaining the reason for the Special Meeting was to consider the paper on the deployment of additional resources, as shortly after the meeting of the Audit & Finance Committee in January, it became apparent that there would be unallocated budget resources available in 2021/22.

The Convener handed over to the CEO, who set out the context, explaining that the vision in the paper is an ambitious one, building on the agenda in the Business Plan and wishing to go further. The Board has been clear that it places a high priority on expanding

grazings work, improving customer services and on residency and land use work. In addition, since summer 2020, the Commission has had to plan for the utilisation of funds for development work and appreciate the ambitions for it in the National Development Plan. Work associated with IT improvements, to accelerate the move to online applications is also clearly at the forefront of the Commission's agenda.

The CEO was proud to put forward an ambitious plan, which now comes to the Board to ensure that resources are managed carefully and in line with the wishes of the Board.

The CEO went on to explain that the paper is in three parts, with one section looking at the budget, one focused on agreeing priorities and a third part on deployment of resources. At the AFC meeting in January, it appeared the budget for 2021/22 was committed but the actual budget was confirmed the following day and, with certain features such as the pay award coming in at a lower rate than anticipated, this gave the Commission more leeway than expected. As always, there is a fine balance to be struck when committing resources at the start of a year. A cautious approach might delay full deployment but then there is the risk of an underspend, which is not desirable. With encouragement from sponsor division, the approach of the CEO is to commit the full £120K in the year but to do so in a sustainable way, for instance with short-term investments which will bring early gains for the organisation, against the Board's key priorities.

Commissioner Annal asked whether there had ever been a base budget review carried out, to look at what all the staff do. It was confirmed that SG used to carry out reviews every five years, but such exercises had not been carried out for several years and there are no plans to reintroduce them. The CEO agreed to send a copy of the Workforce Plan and Medium-Term Financial Plan to the Commissioner and for SMT to consider an external review of what each member of staff in the Commission does.

Vice chair of the Audit & Finance Committee confirmed he is now content in his understanding of the budget figures.

Going on to look at Priorities, the CEO explained that the Board's priorities are the priorities of the organisation, though these also have to align with the wishes of Scottish Ministers, as outlined in the Framework Document. These are usually set out in the Corporate Plan and annual Business Plan, but the unprecedented situation caused by the pandemic from March 2020 has had a substantial impact on the latter. Coupled with the extra resources announced in summer 2020 and the need to accelerate IT improvements, the 2020 Business Plan now looks out of date. The new iteration, which will be circulated to Commissioners shortly, will reflect this.

The priorities listed in the paper offer opportunities. Several are familiar:

- Improvements to the IT system
- Improving customer service
- Investment in the RALU team.

There are also two listed that have arisen after conversations with Commissioners:

- Capturing the knowledge and experience that Board members have gained as part of the Tier 3 process and using this insight to help improve crofting law.
- Support for crofting and what the Commission can do to influence this.

Other considerations are the turnover of crofts, improved information for crofters and enhanced use of common grazings.

In answer to a question, the CEO confirmed that the desired improvements in IT included CIS efficiency development.

The options in the paper were set out with costs and, apart from further expanding the RALU team, could be delivered as short-term projects. The CEO took members through each option, beginning with the IS Team, explaining that the team is presently engaged in pushing forward several high-profile projects, with limited staff resources. The option is to bring in an external Project Manager for a year to help deliver what has been started.

On Regulation, the CEO reflected that this is an area that the Board is understandably interested in and there are big challenges in delivering a fast enough throughput of cases. Therefore, the option suggests bringing in additional A3 staff.

On RALU, the Board has been clear that the team must be expanded, and this commitment is already underway. Two of the new posts from 2020 were allocated to the team and in the next couple of months the team should be up to six B1 officers. The option is for a seventh post to be added.

Managing the new Development function requires changes at SMT level, with the proposal to continue the current TRS situation, to allow a dedicated manager to work with the new B2 recruits and build a good foundation for their work in the first year.

The final option sets out a proposal to bring in a C2 grade officer on secondment, to act as Deputy CEO.

The Convener wondered why a secondment would be needed, as there seems to be sufficient experience and skill within the organisation, that could be called upon to assist the CEO.

Commissioner Scott wondered, given the recent experience of the protracted time taken to recruit to new posts, whether the Commission should consider over-committing the budget, in order to avoid an underspend. He supported Option 1 on IT improvements but asked whether there might be someone suitable in the organisation already, rather than needing to bring someone in. His least preferred option was Option 5.

Vice Chair of AFC thanked the CEO for his paper, which he felt expressed the situation in an understandable and logical way. His preference was to prioritise Option 4, Option 1, and Option 2, in that order.

Commissioner Campbell questioned why there is a need to re-organise the SMT when this was carried out around 18 months ago. He favoured Option 1 and Option 2, wondering whether a B1 was needed as well as A3s.

Vice Convener Mackenzie prioritised Option 4, then Option 1, Option 3 and Option 2, in that order.

Commissioner Neilson concurred with other Commissioners and felt the decision on whether to invest more in RALU or the Regulatory team should be informed by talking to the staff involved.

Commissioner Maciver felt a lot clearer now, thanks to the paper and agreed with colleagues. He supported options 1-4.

In answer to a question from Commissioner Holt, the CEO clarified that we have not had a Deputy CEO since the previous post-holder left 2 years ago. Commissioner Holt's preferred top priority is Option 3.

Commissioner Annal had no comment.

The Convener felt that Options 1-4 were all important, with Option 1 being critical. He was cautious however, agreeing with comments from Commissioner Holt about the need to ensure that the IT projects are delivered on time. He wanted to see a timetabled plan, with committed targets and deadlines. On Regulation, he understood the challenges and wanted to see customer service improvements. Head of Operations and Workforce confirmed extra staff resources are needed, to make a difference but, having consulted the staff, this is at A3 level, rather than B1.

The Convener questioned why a dedicated manager is required for the new recruits in the development role. Several SMT members explained that, in their opinion, the development work would be hampered if the new officers joined the organisation with no support to assist them. If the work is to have an impact, the officers need to understand crofting regulation in context and work from a firm foundation and this would be very difficult to achieve on their own, coming in new to the Commission. There would be a real danger of them being pulled in different directions, with no clear focus.

Addressing some of the points raised in the discussion, the CEO reflected that there are members of staff working uncomfortably hard trying to deliver projects. Delivery is progressing but he wants to see swifter progress and, with more investment the projects can reach the terminus. He will consider the question of over-committing the budget with the Finance Manager. On the question of the skills already in the organisation, he agreed and said work around succession planning needs to be developed further, with a paper to the Board. On the structure of SMT, it had been his decision after the C1 officer left in March 2019 to recruit a B3 Head of Digital & Improvement and a B3 Head of Operations and Workforce, as he felt combining these duties with the Deputy CEO role had been too much. That seemed the highest priority at the time but with the added pressures this year, it needed a re-think.

To conclude, the Convener asked for confirmation on the options selected by the Board. He felt a little nervous that the IS costings are estimates but observed the benefits of the project outcomes would be felt across the whole organisation and help customers. On a question on the current outsourcing of mail handling, the Finance Manager confirmed this is budgeted for in Q1 of 2021/22 and Head of Compliance confirmed there are plans in place to bring the tasks back in-house by the end of April.

In answer to the Convener's question, Board members confirmed the top priority for deployment of additional resources is Option 1, IS investment. The next priority is Development. On a choice between RALU and Regulation, it was agreed to leave this with SMT to see what could best be achieved with the remaining funds. The Convener was pleased to reach a consensus on this and thanked everyone, including the staff who had joined the meeting as observers, for their time, closing the meeting at 18:37

<b>Decision</b>	<b><i>It is the Decision of the Board that top priority for the deployment of additional resources is given to Option 1 in the paper, followed by Option 4, with SMT deciding how to utilise the remaining funds between RALU and Regulation teams.</i></b>
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