

# BUSINESS PLAN

## PLANA GNOTHACH

### 2020/21



**CROFTING COMMISSION**  
**COIMISEAN NA CROITEARACHD**

This Business Plan was developed, and approved by the Crofting Commission Board, before the covid-19 lockdown on 23 March 2020. Inevitably, covid-19 will affect the delivery of this plan in ways which could not be predicted at the time.

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## FOREWORD

2019/20 was the midpoint of the elected Commissioners' five-year term, and we continued to deliver the priorities that the Board established for the organisation in 2017. A major focus of the year has been the improvement of regulatory performance, and I am glad to report that median turnaround times for the major application types have all improved, despite continuing high levels of applications. These improvements were achieved by a focus on staffing and training for the regulatory teams, a joint Improvement Project with Scottish Government staff, and the introduction of a triaging system. The triaging system concerns that small number of cases where it is apparent from the start that it will be difficult to approve the application. We can now invite the applicant to resubmit a revised application which will have a much better chance of acceptance.

Late in the year we launched a customer feedback form in which crofters can give feedback on our standards of service. The first few completed feedback forms have been received and we are grateful to all those who completed them. A further improvement to customer service was the addition of past decrofting directions to our online Register of Crofts. This enables the public and their agents and solicitors to check the past history of decroftings at any croft.

During the year we have expanded our work to promote crofting. Our Residency and Land Use team has continued to engage with hundreds of crofters who are not fulfilling their duties and during the year resolved many of these cases through 32 crofters returning to live on or near their crofts, 28 assignations/transfers, 88 sublets/short-term lets, and 6 terminations. Our grazings team has expanded its work in support of grazings committees, for example by sponsoring training for clerks and committees. As a result of this team's work, we have seen the number of grazings committees in office rise by around 40, reversing a long-term trend. At time of writing the Commission is closely considering what changes to the crofting system might strengthen it for the future, and we plan to publish a paper on this later in 2020. Key themes include how crofting supports both the resilience of remote communities and the protection of the environment.

It has also been a busy year regarding the governance of the Commission, with a generally favourable audit of our work on the General Data Protection Requirement (GDPR) and the publication of a new and detailed Workforce Plan. Board and staff continued to prioritise being open and accessible to the crofting public, through our formal presence at 5 agricultural shows in the summer and a very successful visit to Argyll in October 2019.

**Bill Barron – Chief Executive**

*May 2020*

## PURPOSE OF THE BUSINESS PLAN

Each year, our Business Plan sets out the Commission’s key objectives for the coming year. These are set out in the tables below, which describe our key intentions and aims. During the year, the Business Plan becomes a tool for monitoring our progress and to assist in managing our staff, finances and other resources, to achieve the desired outcomes.

Progress against this Plan will be reviewed regularly by the Senior Management Team and reported to the Audit & Finance Committee through our quarterly performance management reports. Regular reporting helps to ensure that we remain focussed on the priorities and have the right resources in the right place at the right time. Progress will be measured through our Key Performance Indicators of which our Board will receive regular progress updates.

The Corporate Outcomes highlighted in our Corporate Plan 2019 – 2022 are as follows:

|                      |  |
|----------------------|--|
| <b>Outcome One</b>   | <b>Crofts are occupied and managed</b>   |
| <b>Outcome Two</b>   | <b>Common grazings are regulated and shared management practices continue</b>  |
| <b>Outcome Three</b> | <b>Crofting is regulated in a fair, efficient and effective way</b>  |
| <b>Outcome Four</b>  | <b>The future of active crofting is supported by well-informed engagement with stakeholders</b>                      |
| <b>Outcome Five</b>  | <b>Our workforce has the right skills and motivation to perform well, our governance processes are best practice</b> |

## OUTCOME ONE – CROFTS ARE OCCUPIED AND MANAGED

By ensuring crofters are compliant with their Duties and by working with crofting communities and stakeholders, we can increase the number of crofts that are occupied and well managed.

### Narrative

Since 2017, we have been expanding our work to encourage – and where necessary enforce – the requirements for crofters to reside on or near their crofts and to cultivate and maintain the land. Over this coming year, we will continue to investigate reported breaches of duty, work with public and private crofting landlords, and engage with those who report their own non-compliance through the crofting census. In addition, we will commence enforcement action on those individuals who have failed to return their census form but whose address details would indicate that they are not ordinarily resident on their crofts; and will continue to develop mechanisms for escalating cases from mainstream regulatory casework to pro-active enforcement action to ensure crofts are occupied and worked.

Our approach will be supportive: we will help and advise crofters on the options open to them to resolve their breaches of duty; and likewise will work with landlords to re-let vacant crofts and address succession issues, and will help them understand how best to ensure that all crofts are managed in a positive way.

### Key Milestones

| Number | Date        | Milestone   |
|--------|-------------|---|
| 1a     | May 2020    | Review all 2019 Census returns in order to extract all cases where the respondent has identified they are in breach of one or more of their statutory duties.   |
| 1b     | August 2020 | Write to 2019 census respondents who have advised us for the first time they are in breach of one or more of their duties setting out their options for resolving their breach of duty at their own hand.                             |
| 1c     | Sept 2020   | Write to a selection of crofters who have never responded to the census and whose address indicates a breach of residency setting out their options for resolving their breach of duty at their own hand.                             |
| 1d     | Sept 2020   | Develop options for Commissioners and Assessors to be pro-actively involved in ensuring crofts are occupied and managed, potentially focusing on the resident non-user of their croft.  |
| 1e     | Ongoing     | Follow-up action on the 2018 census returners advising of first time breaches, re-iterating options for resolving their breach of duty and escalating to the serving of notices as appropriate.                                       |
| 1f     | Ongoing     | Follow-up action on all 2017 and 2018 returners who were in breach on more than one occasion, to progress cases through the section 26C to 26H enforcement provisions if they have failed to resolve the situation at their own hand. |

## Key Performance Measures

| Number | Aim   | Baseline          | Target/Indicator                                | Measure  |
|--------|---|-------------------|---|--|
| 1.1    | Reduce number of vacant crofts  | 144 in March 2019 | Reduce by 5%                                    | Figure will be taken from the Register of Crofts. 'Vacant' will be defined tightly, as those not only legally vacant but also having no <i>de facto</i> owner occupier.  |
| 1.2    | Initiate correspondence with more crofters where a breach of RALU duties is suspected                                 | 77                | Initiate RALU correspondence with 100 new cases | Records of administrative action. Those contacted will include all those whose 2019 census indicated a possible breach for the first time, a selection of census non-respondents, and other cases generated by eg notifications or regulatory casework |
| 1.3    | Number of RALU breaches resolved by a crofter in breach of their residency duty by taking up residence on their croft | 32                | Maintain or increase the number in 2019-20      | Records of administrative action   |
| 1.4    | Number of RALU breaches resolved by assignation of the croft, or sale of an owner-occupied croft                      | 28                | Maintain or increase the number in 2019-20      | Records of administrative action   |
| 1.5    | Number of RALU breaches resolved by sublet, or by short-term lease of an owner-occupied croft                         | 88                | Maintain or increase the number in 2019-20      | Records of administrative action   |
| 1.6    | Number of RALU breaches concluded by tenancy terminations, approval of letting proposals etc.                         | 6                 | Maintain or increase the number in 2019-20      | Records of administrative action   |

## OUTCOME TWO – COMMON GRAZINGS ARE REGULATED AND SHARED MANAGEMENT PRACTICES CONTINUE

Shared management and productive use of common grazings are important for the cohesion and sustainability of crofting. The Commission works with grazings committees and crofting communities, providing both guidance and support, to ensure the effective management and use of common grazings.

### Narrative

The bulk of the work of the Grazings Team is to support, develop and encourage common grazings committees in carrying out their duties. Over the next year we will prioritise communication between the Commission and grazings committees while also promoting the importance and effectiveness of having committees where there are currently no committees in place. To progress this, we will continue to communicate with shareholders of grazings who have not returned committees to office and establish contact with shareholders whose grazings have not had a grazings committee for a number of years. In addition, we will provide and contribute to training and other events related to the formation of grazings committees and the management of common grazings.

We will continue to assist committees and shareholders resolve difficulties and operate within the requirements of legislation pertaining to common grazings. Committees will be specifically encouraged to adopt the revised template for grazings regulations to ensure compatibility with current crofting legislation. Ensuring that the shareholding situation and relevant souming share are established on common grazings will also receive continued attention.

### Key Milestones

| Number | Date    | Milestone   |
|--------|---------|---|
| 2a     | Ongoing | Contact all Grazings Committees whose terms are about to end, encouraging them to arrange election of a new Grazings Committee  |
| 2b     | Ongoing | Highlight to Grazings Committees and Shareholders the availability of the guidance, published February 2019, for effective management of common grazings. Respond to any questions for clarification. |
| 2c     | Ongoing | Maintain contact with shareholders of common grazings that have not returned a committee to office and establish contact with shareholders who have not had a committee for a longer period of time.  |
| 2d     | Ongoing | Encourage grazings committees to adopt the revised template for grazings regulations  |

## Key Performance Measures

| Number | Aim  | Baseline   | Target/Indicator   | Measure   |
|--------|--|--|--|---|
| 2.1    | Increase in number of common grazings with a Committee in office   | 485 Grazings Committees in office on 31 March 2020 | The number of Grazings Committees in office  | Administrative records  |
| 2.2    | Increase in number of grazings committees who have adopted the new template regulations  | 6 in 2019-20                                       | Commission approvals of new regulations submitted by committees based on the template.                                       | Number of new grazings regulations approved which are based on the new template.  |
| 2.3    | Meetings or other substantial engagement with Grazings Committees and shareholders (as required) to support them with the regulation and management of common grazings | 33 in 2019-20                                      | The numbers of townships where grazings issues have been assisted, progressed, or resolved, following Commission engagement. | Records of administrative action. (Note that this covers different types of Commission intervention: getting Committees into office; resolving medium size queries; and helping to address deeper divisions.) |
| 2.4    | Establish correct shareholdings on common grazings by researching and updating records of shareholder situations.  | 14 in 2019/20                                      | Number of townships researched   | Records of administrative action  |
| 2.5    | Develop and assist with training and other events for grazings committees and the management of common grazings.   | 9 in 2019/20                                       | Number of events   | Records of administrative action  |



## **OUTCOME THREE – CROFTING IS REGULATED IN A FAIR, EFFICIENT AND EFFECTIVE WAY**

We are committed to providing a quality and professional service to all our customers, especially those that make regulatory applications to us or who send us applications for registration of their croft, for us to review and forward to the Registers of Scotland. We are committed to fairness in all our decision-making, and we monitor turnaround times for all the different types of process.

We are also committed to continuous improvement of our internal processes, to deliver consistent and fair decision making that is compliant with legislation, and that also delivers value for the public purse. By refining how we deliver our services to customers, we can provide a faster, more consistent and more informative service to our customers, thereby improving customer satisfaction and confidence while simultaneously improving value for money.

### **Narrative**

Throughout the next year we will continue to make efforts to find areas where we can improve our processes to increase customer satisfaction in our services. We will continue to develop the Scheme of Delegation by keeping under review the parameters for delegation of each of our regulatory functions.

A focus this year will be to undertake reviews of processes for another two of the Commission's regulatory functions, to ensure they are fully compliant with current legislation, reflect policy and are as efficient as possible. We will also continue to provide ongoing training and prepare guidance to Commission and SGRPID officials, to improve the quality of our casework processing.

We will also work with Registers of Scotland to reach agreement on any changes that are necessary to improve the way the two organisations handle croft registration work, especially where it interacts with crofting regulation applications.

Our digital offering will be expanded to allow a greater opportunity for self service to our customers and improve the quality of our service currently offered by making our application process clearer to minimise invalid applications being rejected.

## Key Milestones

| Number | Date      | Milestone   |
|--------|-----------|---|
| 3a     | May 2020  | Next build of the Crofting Information System released and upskilling delivered   |
| 3b     | June 2020 | Extend to other regulatory functions (currently decrofting and division) the triaging process for identifying potentially contentious cases at an earlier stage of the process to manage customer expectations in relation to the time taken to process their case and the potential outcome. |
| 3c     | June 2020 | Review website to minimise the number of incorrect forms received   |
| 3d     | June 2020 | Confirm and roll-out system to measure customer satisfaction on Regulatory Applications   |
| 3e     | July 2020 | Establish a consistent MI suite for all areas of the Commission for the annual report, leading with Regulatory  |
| 3f     | Sept 2020 | Undertake review of “Division by Tenant” process (section 9)  |
| 3g     | Sept 2020 | Confirm with Sponsor funding availability for progressing online applications, and agree what direction this work will take between the options presented with planning in place  |
| 3h     | Dec 2020  | Undertake review of “Letting of vacant crofts” process (section 23(3))  |
| 3i     | Dec 2020  | Agree, with Registers of Scotland, improvements to our combined processes, and how they can be implemented  |

## Key Performance Measures

| Number | Aim  | Baseline   | Target/Indicator   | Measure  |
|--------|--|--|--|--|
| 3.1    | Decrease in median turnaround times (registered crofts, Tier 1 approvals)  | Figures for 2019/20:<br>Assignment 8 weeks<br>Decrofting CHS 8<br>Decrofting Part 13.3<br>Letting by Landlord 9.4<br>Owner Occupier Letting 11.4 | Reduce median turnaround times for the main regulatory functions | Time taken from application to notification of decision, <i>for cases where no registration is required</i>  |
| 3.2    | Decrease in number of regulatory cases outstanding after 12 months         | Not available  | Reduce number of cases still live after 12 months                | Number of live regulatory cases (of all types, including those involving registration) on 31 March, which are more than 12 months since first received by the Commission |
| 3.3    | Customer satisfaction rates  | Not available  | % of respondents reporting satisfaction to the CC enquiries      | The customer satisfaction system was launched towards the end of 2019-20 but no baseline can be calculated from the limited data available so far                        |
| 3.4    | Decrease in number of general enquiries                                    | 2,394 in 2019/20   | Reduce number  | Number of general enquiries received   |
| 3.5    | Reduce number of applications rejected because of use of an incorrect form | 48 forms were rejected in 2018/19 due to selecting an incorrect type   | Reduction in incorrect form types submitted                      | Customers are better guided to choose correct application form type, reducing rejected applications and saving resource  |

## OUTCOME FOUR – THE FUTURE OF ACTIVE CROFTING IS SUPPORTED BY WELL-INFORMED ENGAGEMENT WITH STAKEHOLDERS

The Commission has a responsibility to promote the interests of crofting, and to advise the Scottish Government about crofting issues. We welcome collaborative initiatives with other organisations in order to contribute towards the sustainable development of crofting. We look forward to the Scottish Government’s National Development Plan for crofting, expected by September 2020.

### Narrative

In the coming year we will seek out opportunities to discuss crofting issues with crofters and their representatives. We will meet regularly with SCF, NFUS, the crofting stakeholder forum and the Cross Party Group on crofting, to ensure that our work takes account of their views and is open and accessible to them. We will draw on the knowledge and understanding of the Commission’s Assessors.

2020 will see the publication of the Commission’s thoughts on the future of crofting, as well as the Scottish Government’s National Development Plan for crofting.

### Key Milestones

| Number | Date        | Milestone   |
|--------|-------------|---|
| 4a     | May 2020    | Advise Scottish Government of our views concerning their forthcoming National Development Plan for Crofting             |
| 4b     | June 2020   | Joint Board-level meeting with Land Commission Board members  |
| 4c     | August 2020 | Have a formal Commission presence at 6 agricultural shows across the Highlands and Islands                              |
| 4d     | Sept 2020   | Publish a Commission paper on the Future of Crofting  |
| 4e     | Nov 2020    | Commission paper on how crofting can maximise its contribution to protecting biodiversity and mitigating climate change |

### Key Performance Measures

*There are no Key Performance Measures for this Outcome*

## **OUTCOME FIVE – OUR WORKFORCE HAS THE RIGHT SKILLS AND MOTIVATION TO PERFORM WELL, GOVERNANCE PROCESSES ARE BEST PRACTICE**

By ensuring that our staff and Board Members have appropriate training and continued investment, we can develop a high-performing workforce. We will ensure that our organisation fulfils its legal requirements and contributes to the Scottish Government’s broader objectives for Scotland.

### **Narrative**

As a public body, we will fulfil the legal requirements and strive for best practice in our handling of information, our responsiveness to our customers, and our pursuit of clear communication, efficiency and value for money. In the coming year, we will continue to embed our processes for handling information and records in accordance with the requirements of GDPR and the Data Protection Act.

We will improve our assurance of customer satisfaction by ensuring that we have robust and effective mechanisms in place to resolve and address any complaints from customers. We will continue to respond timeously to all complaints and to learn lessons whenever a complaint is upheld.

We will implement the Workforce Plan we developed in 2019-20, seeking to improve the training, engagement and job satisfaction of our staff.

Just as crofting contributes to environmentally sustainable food production and the protection of biodiversity, we as its regulator will continue to monitor our corporate carbon emissions and to implement measures to reduce them.

## Key Milestones

| Number | Date      | Milestone   |
|--------|-----------|---|
| 5a     | Apr 2020  | Complete implementation of 2019 Staff Survey action plan  |
| 5b     | May 2020  | Implement automated retention schedule procedures within revised CIS                            |
| 5c     | June 2020 | Expand succession planning for key posts as set out in the Workforce Plan                       |
| 5d     | Oct 2020  | Produce an internal plan for staff deployment and development, as set out in the Workforce Plan |
| 5e     | Mar 2021  | Conduct 2021 Staff Survey   |

## Key Performance Measures

| Number | Aim                                 | Baseline             | Target/Indicator   | Measure  |
|--------|-------------------------------------|----------------------|--------------------|--|
| 5.1    | Increase in staff engagement rating | 51% in Spring 2019   | Increase to 55%    | Average scores for a set of fixed questions in the annual staff survey |
| 5.2    | Corporate carbon emissions          | 15.5tCO2e in 2018/19 | Maintain or reduce | Emissions from business travel by staff and commissioners              |

## MEASURING SUCCESS

In our Corporate Plan 2019-22 we identified a set of high level performance indicators which are reflected in this Business Plan as shown:

| High Level Indicator   | Objective  | 2019/20<br>Business Plan |
|--|------------|--------------------------|
| Number of vacant crofts  | Decreasing | 1.1                      |
| Number of breaches of duty, resolved through Commission action | Increasing | 1.3, 1.4, 1.5            |
| Number of regulated grazings with committee in office          | Increasing | 2.1                      |
| Regulatory application turnaround times                        | Decreasing | 3.1                      |
| Customer satisfaction rates                                    | Increasing | 3.3                      |
| Staff engagement rating  | Increasing | 5.1                      |
| Corporate carbon emissions                                     | Decreasing | 5.2                      |

## NATIONAL OUTCOMES

The outcomes of our Corporate Plan are aligned with those of others in the public sector to bring about delivery of the Scottish Government's National Outcomes contained in the new National Performance Framework. We believe that we contribute to 4 of the National Outcomes as summarised below.

| National Outcomes  | CC Outcomes                 | How we contribute  |
|--|-----------------------------|--|
| <b>We value, enjoy, protect and enhance our environment.</b>                               | ONE<br>TWO<br>THREE<br>FOUR | Crofting is recognised as having environmental benefits, as its low-intensity agriculture protects valuable biodiversity such as machair and upland pastures, while producing meat and other food with a much lower carbon footprint than some other forms of production. The Commission's work supports the strength of the crofting sector. A current priority is to encourage the establishment of more grazings committees, as these play a key role in managing the use of extensive common grazing lands – see Outcome 2.  |
| <b>We live in communities that are inclusive, empowered, resilient and safe.</b>           | ONE<br>TWO<br>THREE         | The crofting system has always involved a strong community aspect. The Commission supports the retention of population in remote communities most directly through our enforcement of crofters' residency duty (Outcome 1), with several hundred investigations ongoing and dozens of breaches resolved by the crofter returning to their croft or assigning it to someone else. In addition, the Commission's regulatory decisions take account of the interests of the crofting community, and we liaise with grazings committees and crofters to help resolve any issues that arise within townships.   |
| <b>We have a globally competitive, entrepreneurial, inclusive and sustainable economy.</b> | ONE<br>TWO<br>THREE<br>FIVE | Crofters and crofting are an integral part of the economy of the Highlands and Islands. Many crofters have full- or part-time paid occupations within the local community while a minority derive all of their income from their croft itself. The Commission's regulatory work supports both traditional food production and also diversification of the purposeful uses of crofts, as well as authorising part-croft decroftings where necessary to allow economic initiatives alongside crofting. Surveys of crofters by the Scottish Government (2018) and the Commission (2019) show the growth of diversification of crofting businesses into tourism, horticulture, renewable energy and forestry among others. |
| <b>We respect, protect and fulfil human rights and live free from discrimination.</b>      | THREE<br>FOUR<br>FIVE       | Crofting is a rights-based system and the Commission's regulation exists to uphold these rights. In recent years the Commission has been responding to an increasing number of regulatory applications in accordance with crofters' rights under the law, as well as working with Registers of Scotland to expand the number of crofts recorded and mapped authoritatively in the Crofting Register. Equally, the Commission is committed to respecting its staff, in accordance with the HR principles and policies of the Scottish Government. We conduct surveys of staff opinion twice per year, and early in 2020 completed production of a comprehensive Workforce Plan.   |



## BUDGET INFORMATION

We receive Grant-in-Aid funding from the Scottish Government. Public budget decisions which set our Grant-in-Aid allocation are made on an annual basis therefore we have confirmation of the funding allocation for 2020/21 only. The annual Business Plan will direct financial and staff resources into the priority areas identified in this Corporate Plan and agreed by the Board.

The Crofting Commission has been allocated grant in aid of £2.697m for 2020/21, around 75% of which will be directly allocated for staff salaries, and the remainder covers costs associated with Board members and the standard running costs of the organisation.

In terms of the Business Objectives for 2020/21, we can estimate the cost of delivery for each outcome. The table below indicates the number of FTEs estimated as working on each outcome and the approximate cost is based on the associated salaries for those FTEs, plus any other associated costs. Fixed running costs (for instance for our occupation of Great Glen House) are incorporated on a pro-rata basis per FTE.

In addition to this, there are other remuneration costs associated with historical pensions and the Board totalling approximately £140k.

| Corporate Outcome  | FTEs | Approximate Cost |
|--|------|------------------|
| <b>Crofts are occupied and managed</b>   | 4.8  | £300k            |
| <b>Common grazings are regulated and shared management practices continue</b>  | 2.6  | £130k            |
| <b>Crofting is regulated in a fair, efficient and effective way</b>  | 31.0 | £1,400k          |
| <b>The future of active crofting is supported by well-informed engagement with stakeholders</b>                      | 4.6  | £340k            |
| <b>Our workforce has the right skills and motivation to perform well, our governance processes are best practice</b> | 7.0  | £390k            |