



**CROFTING COMMISSION  
COIMISEAN NA CROITEARACHD**

***COMMISSION MEETING***

***24 JUNE 2021***

**CROFTING COMMISSION MEETING (TEAMS)  
24 JUNE 2021 AT 0900 hrs**

**AGENDA**

- |    |   |                |                       |
|----|---|----------------|-----------------------|
| 1  | <b>APOLOGIES</b>  | <i>Oral</i>    | <i>Standing Item</i>  |
| 2  | <b>DECLARATION OF INTERESTS</b>   | <i>Oral</i>    | <i>Standing Item</i>  |
| 3  | <b>MINUTES FROM:<br/><i>Board Meeting – 13 May 2021 (already published)</i></b> | <i>Minutes</i> | <i>For info</i>       |
| 4  | <b>MATTERS ARISING FROM PREVIOUS MINUTES</b>                                    | <i>Oral</i>    | <i>Standing Item</i>  |
| 5  | <b>UPDATE ON PEATLAND AND WOODLAND PROJECTS</b>                                 | <i>Oral</i>    | <i>For info</i>       |
| 6  | <b>REPORT ON PROGRESS AGAINST STRATEGIC OUTCOMES</b>                            | <i>Paper</i>   | <i>For info</i>       |
| 7  | <b>STRATEGIC RISK REGISTER</b>  | <i>Paper</i>   | <i>For info</i>       |
| 8  | <b>COMMS REVIEW</b>   | <i>Paper</i>   | <i>For discussion</i> |
| 9  | <b>CENSUS 2020 AND 2021 – PROCESSING ARRANGEMENTS</b>                           | <i>Paper</i>   | <i>For decision</i>   |
| 10 | <b>UPDATE FROM THE APPLICATION FORMS RE-DESIGN STWG</b>                         | <i>Oral</i>    | <i>For info</i>       |
| 11 | <b>REPORTS FROM HEADS OF TEAMS</b>  |                |                       |
|    | <i>(a) IS Team</i>  | <i>Oral</i>    | <i>For info</i>       |
|    | <i>(b) RALU &amp; Reg Support</i>   | <i>Oral</i>    | <i>For info</i>       |
|    | <i>(c) Operations &amp; Workforce</i>   | <i>Oral</i>    | <i>For info</i>       |
|    | <i>(d) Grazings &amp; Policy</i>  | <i>Oral</i>    | <i>For info</i>       |
|    | <i>(e) Crofting Development</i>   | <i>Oral</i>    | <i>For info</i>       |
| 12 | <b>'ROUND THE TABLE' UPDATES FROM COMMISSIONERS</b>                             | <i>Oral</i>    | <i>Standing Item</i>  |
| 13 | <b>DATE OF NEXT MEETING</b><br>Tuesday 10 August 2021 – Teams                   |                |                       |
| 14 | <b>ANY URGENT BUSINESS</b>  |                |                       |
| 15 | <b>EXCLUSION OF THE PRESS AND PUBLIC</b>  |                |                       |

# APOLOGIES – ORAL

## **DECLARATION OF INTERESTS – ORAL**

# CROFTING COMMISSION

## MINUTE OF THE COMMISSION MEETING HELD BY 'TEAMS' AT 9AM, 13 MAY 2021

Present:	Rod Mackenzie	Convener
	Andy Holt	Commissioner
	Mairi Mackenzie	Vice Convener
	Malcolm Mathieson	Commissioner
	Iain Maciver	Commissioner
	David Campbell	Commissioner
	Billy Neilson	Commissioner
	Cyril Annal	Commissioner (open session)
	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 Crofting Development
	Neil Macdonald	Head of Finance
	Jane Thomas	Head of Compliance and minute taker
	Karen MacRae	Development Officer (open session)
	Gordon Jackson	Scottish Government
	Aileen Rore	Scottish Government

Members of staff, Assessors and the public

### **1 APOLOGIES AND WELCOME**

The Convener welcomed everyone to the meeting, including the staff, Assessors and members of the public observing, with a greeting in Gaelic, followed in English. There were no apologies.

### **2 DECLARATION OF INTERESTS**

The Convener asked if anyone had any Declarations of Interest that they wished to inform the meeting of. Commissioner Campbell intimated that he would declare an interest in the private part of the meeting, under item 16(b).

### **3 BOARD MINUTES FROM 4 MARCH & 18 MARCH 2021**

The Board Minutes of the Special Meeting on 4 March 2021 and the Board Meeting of 18 March 2021 had previously been circulated and approved, and subsequently published. They were brought to the meeting for information only.

### **4 MATTERS ARISING FROM PREVIOUS MINUTES**

There were no Matters Arising.

## 5 EMAILED PAPER FOR APPROVAL: *Budget 2021-22*

Head of Finance explained that the budget had been reviewed by the Audit & Finance committee in January, prior to confirmation of the Grant-in-Aid award, and the pay uprate. It was subsequently presented to the Board in March and adjusted to reflect the agreement reached regards allocating additional resources towards key strategic priorities, such as delivery of IS projects. The final draft was then circulated to the AFC. The Vice-Chair confirmed that the draft had captured the Board's recommendations and the draft budget was subsequently circulated to the Board by email, to ensure everyone is content.

The Commission approved the budget for 2021-22.

<b>Decision</b>   <b><i>The Commission approved the budget for 2021-22.</i></b>
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## 6 AUDIT & FINANCE COMMITTEE REPORT

### (a) Update from Malcolm Mathieson

Vice-Chair of Audit & Finance reported that the committee had gone through the end year results in depth, looking carefully at the budget for the current year and the draft Business Plan, which was approved with minor adjustments and is on the Board agenda for today.

Head of Digital & Improvement had given an important presentation to the committee, setting out the timelines and targets for the various IT-related projects that are currently in development. The Vice-Chair commended the way the information had been presented and would forward a copy of the chart to any Commissioner who wished to see it.

The committee had also approved the Internal Audit workplan for the year and, in order to discuss the Internal Audit report on CIS, an additional AFC meeting is being held on 17 May. It had been hoped that the External Audit Governance report would also be ready for discussion, but this now seems unlikely, as Deloitte's timescale has slipped slightly. The Internal Audit report would be discussed by the Board at a Special Meeting on the evening of 20 May. In answer to a question, the Vice-Chair explained that the External Audit report would be discussed at a specially convened AFC meeting, as soon as it is ready, and it will then come to the full Board for discussion.

### (b) Draft Minutes from 28 April 2021

There were no comments on the Minute.

### (c) Review of Key Performance Indicators Q4 2020-21

The KPI report was brought to the Board for information. Although there were several items marked as RED, the committee understood the reasons for this, which were mainly to do with COVID-19 restrictions impacting on the ability to meet the target; for instance, it had not been possible to attend agricultural shows for the last year.

Vice-Chair offered to meet any member of the Board outside the meeting, if any further detail on the report was requested.

## **7 RESULTS OF THE CROFT UNDERUSE AND AVAILABILITY SURVEY**

Development Officer Karen MacRae introduced the paper, explaining the background, with the aim of the survey being to gain insight into the reasons for crofts being underused. There had been a good response rate of 410, with the Western Isles having the highest response.

The survey results showed that unused crofts and lack of availability of crofts to new entrants were issues of concern to the vast majority of respondents. There were four reasons for this that were most commonly highlighted. These, along with the possible solutions, will be taken forward by the Development Team, to help shape their approach to the issue. The team will work with the RALU team on this and their work on the turnover of crofts and also work with the Farm Advisory Service to improve information for crofters. On the ground, Development Officers will try to explain how underused crofts are a loss to local communities. The aim is to be as pro-active as possible and engage at a local level.

Commissioners supported this approach and hoped a positive momentum could be built up, agreeing that making a difference on one croft could have a ripple effect in a crofting community. There was support for the aim of being as visible as possible in the community.

Several Commissioners had received a FAS leaflet and thought that assignation should be given a higher prominence than sublet in the Succession section. It was therefore agreed that a dialogue should be opened with FAS to discuss this. This was taken as an Action Point for management.

## **8 NATIONAL DEVELOPMENT PLAN- ANALYSIS AND ACTIONS**

Head of Crofting Development introduced the paper. The NDP is a multifaceted document and the paper showed what actions the Commission is either already engaged in or where action is planned, with an approximate timescale. To illustrate this, three areas of work were highlighted:

- Grazings, where there will be work on supporting committees, engaging with long-term out of office grazings and looking at Peatland Restoration;
- Entry to crofting, where the survey results will be used and communications improved, with case studies and myth-busting;
- Duties work, with follow-ups on resident non-cultivators and those not retuning a crofting census form and a policy recently approved on vacant crofts.

Board members queried why the Commission is not involved in all aspects of the National Development Plan's objectives, as it is a Plan for crofting. The Chief Executive agreed that the Commission has an interest in the whole of the plan but will not necessarily be the agency which delivers outputs for every item. The key is to engage with partners, and this is already underway and will develop further.

Sponsor Division confirmed that Scottish Government will establish a Steering Group to oversee the plan and the Commission will feed into that group. The Board was pleased to hear that a meeting has been arranged with HIE in the Western Isles and agreed that the Commission may not always be the appropriate lead partner for all activity.

Some concern was expressed regarding the possible impact of work on the NDP diverting attention from the Commission's core Regulatory work. The CEO reassured Commissioners that this would not be lost sight of and there would need to be a balance of resources. He felt, however, that there could be considerable benefits from the development work the Commission would be engaged in.

As all the other Board members had taken part in the discussion on the paper and the NDP, the Convener asked Commissioner Annal for his view. This was expressed by the Commissioner declaring that no croft or farm under 200 acres is economically viable. The Convener pointed out that the same could be said for marginal small holding systems all over the world, but this did not make the crofting system redundant, as evidenced by the demand for crofts.

Commissioner Holt wished to put on record his disquiet that a Crofting Commissioner expressed views such as those of Commissioner Annal, which seem out of kilter with the aims of the Commission. Vice-Convener Mackenzie agreed there is positive interest in crofting, with opportunities in agri-tourism. Commissioner Campbell pointed out that crofting did not have to be a full-time agricultural occupation. It is broader than that. Crofting can support a living for people in remote, environmentally, and culturally rich communities and that is why there is demand. Commissioner Maciver indicated that he understood the point being made by Commissioner Annal as being that a croft alone cannot sustain a crofter. He said crofting requires the support of government. Commissioner Neilson agreed and pointed out that getting a start in crofting was often the first step onto an agricultural ladder, and that new entrants should be encouraged. The Convener said that he would speak with Commissioner Annal after the meeting.

## **9 BUSINESS PLAN 2021-22**

The CEO introduced the paper, which came to the Board for approval. As mentioned under item 6, the draft plan has been approved by the Audit & Finance committee, with all suggestions taken on board. Targets have been made as numerical as possible. Several targets are quite challenging but important and reflect previous conversations with the Board. It is an ambitious plan but one that management will work with the Board to deliver.

Commissioners were pleased with the format adopted for the Business Plan this year and hoped we would continue with this model, with defined quantifiable targets wherever possible. The plan was approved with no amendments.

<b><i>Decision</i></b>	<b><i>The Commission approved the Business Plan for 2021-22</i></b>
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## **10 ADDITIONAL QUESTIONS FOR CROFTING CENSUS 2021**

The Convener set the scene for the discussion, by reminding Commissioners that an additional survey was carried out with the Crofting Census in 2018. Today's paper included possible questions for a further anonymous survey, as well as three possible new questions to add to the Crofting Census form itself.

Head of Development explained that if additional questions are added to the census form, this has cost implications and, to be GDPR compliant, there must be a clear reason for the processing because we would be collecting personal data. On the survey form, additional questions for discussion are marked in red. The most efficient way of distributing the survey would be to put it online.



The Commission solicitor then went through the reasoning behind the three additional questions which could be added to the census form. On Q2, there could be a reason for receiving additional information from people who have a grazings share only; on Q3, the 1993 Crofting Act contains a section on the need to report positive measures to control weeds, whins, and bracken, as well as vermin on the croft. On Q1, the Commission solicitor was less sure how the information could be used.

On the survey, the suggestions in red include a question on housing, as this issue comes up quite often in discussions.

Commissioners discussed the wording of the suggested questions in some detail, with there being general support for the inclusion of Q2 but more doubts over Q1 and Q3. It was agreed that officers would work on revised wording for Q1 and Q3 on the form and these could be circulated to the Board by email, for approval. It was also agreed that the survey questions required more discussion, in private but that the survey should be online only and made available at the same time as the 2021 Annual Notice.

## 11 REVIEW OF APPORTIONMENT POLICY (this item was taken after item 12)

Head of Policy & Grazings explained that the need to review policy on Apportionments came out of the RALU STWG recommendations. At present the Commission has a purely reactive role in relation to apportionments and if it conditioned apportionments with a review at intervals, it would have a more proactive one. The 2007 Act introduced the possibility of conditioning apportionments for a period of time or to be reviewed at fixed intervals, or both. Between 2009-2014, it was relatively common for the Commission to grant for a period of time but it has seldom conditioned apportionments by a review at fixed intervals. As suggested in the paper, these reviews could be a relatively light touch with minimum demand upon resources but would allow the Commission the capacity to monitor the use of areas of land it has agreed to apportion.

This would not be retrospective. There may be resource implications, but it is hard to judge at present because the reviews would be some time in the future. They could be based on self-assessment online forms, with minimal inspection required, in cases of suspected non-compliance.

The question of responsibility for paying compensation for permanent improvements was raised, with the Commission solicitor saying that he will give this some thought. It was confirmed that in Succession cases, the Apportionment would carry on. There was concern that the policy could lead to a 2-tier system of dealing with Apportionments, but Head of Regulatory Support said this already exists to an extent.

It was pointed out that the policy does not imply that a review is mandatory and that a flexible approach could be taken. The Convener asked if the Board was willing to approve the paper on that basis. Six Commissioners approved the recommendations in the paper, two did not approve and one Commissioner had no comment. The recommendations were therefore approved.

<b>Decision</b>	<b><i>The Commission approved the policy proposals contained in the paper, with review periods to be decided on a case-by-case basis.</i></b>
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## **12 REPORTS FROM HEADS OF TEAMS**

### **(a) IS Team**

Head of Digital & Improvement confirmed that cyber security had been reviewed and no significant issues found, with all the recommended improvements put in place within 24 hours of receiving the report. The website refresh was complete and the new website live. The accessibility review will take place in June. The external contractor will also review the accessibility of the Annual Report, as the organisation's major publication. Applications Received will be searchable on the website. The digital applications work is proceeding and there will be a Digital First test in late May.

The team has a new member of staff joining on 17 May and work has been switched within the team to allow one member to focus on the digital applications. On CIS, the team is plotting out specific steps towards the final version for the new release, due to go live in August. The project to migrate to the Cloud is in its final stages.

It was explained that rather than bringing a Project Manager in to help the team, the resource required was a Delivery Manager, and this was being sourced as a secondment opportunity, at B3 level for 6 months. There was a discussion on the time taken to bring someone in to complete the delivery work on the various projects, and why this needed to be someone from SG, with frustration at the delays.

### **(b) RALU & Regulatory Support**

Head of Regulatory Support gave the update, reflecting that the Tier 2 system is considering 10 cases or more at each meeting, which is at the top end of what is possible. He reported on an interesting case of 7 woodland crofts in Argyll that will be coming to a meeting next week. Work on the modules required for the online applications is progressing well and is on track.

On RALU, the interviews will take place next week for a B1 officer to be based in the Western Isles. Ten breach of duty cases have been progressed since the last update. There are 98 ongoing cases being progressed, with several cases escalated to the team from Tier 3 meetings.

A meeting has been arranged at the end of May with a grazings committee on Skye, who have reported 29 suspected breach of duty cases to the Commission. Some unresolved Succession cases are also being dealt with by the team. This is a 'must' in the Act and there are cases in Shetland and Wester Ross plus a further 28 cases being looked at. These will include the issuing of termination notices.

It was agreed that this active work should be recorded on the website so that crofters can see that action is being taken on breach cases and that they can result in assignations to new tenants. It was also hoped these stories could be featured in the agricultural press and that solicitors would be made aware of them, as they highlight the powers of the Commission.

### **(c) Operations & Workforce**

Head of Operations & Workforce had issued end of April statistics, which show an increase in cases coming through in March. The 2020 crofting census returns are creating work. Resilience in the team therefore needs to be built up. A member of the Customer Service team joined Regulation at the start of April and another two A3 staff will join in early June. A B1 officer from the Grazings team is also helping for 6 weeks, which is appreciated.

The team has carried out an exercise, reviewing file locations, which has resulted in useful streamlining, with documents now all in one place. On Registrations, there appears to be no backlog, which is good. The Convener expressed his thanks to the teams for their hard work. In answer to a question, Head of Operations & Workforce explained that experienced officers work across the board, on all application types but newer members of staff are taught one function at a time. One of the perennial challenges for the Regulatory team is the length of time it takes to train a new member of staff in what are complex processes.

Commissioners appreciated the case stats now provided. There has been a rise in Apportionment applications, which gives some concern, as these cases take a long time to process. It was agreed that it would be interesting to see data on this, to view the reasons being given for the applications. It was noted that housing may be one reason and that the issue of housing had come up several times during the meeting. It was therefore suggested that this is returned to on a Strategy Day in the near future.

#### **(d) Grazings & Policy**

Head of Policy & Grazings reported that the specific measures introduced last year to help grazings committees due to go out of office had been a success, with 510 now in office. It will be a challenge for some committees to arrange shareholder meetings when restrictions are eased. A high number of enquiries continue to come into the team. Many are quite straightforward but dealing with them well will hopefully prevent more complex issues arising. Advice at an early stage can prevent later problems.

In 2016/17 a new Template was made available for committees to use when drawing up Regulations. This is designed to assist committees, but it is not being used very often. There was, for instance, a recent Tier 3 case where a committee had sought to use its Regulations as a way of controlling the public when on the common grazing. But this is not what Regulations are for. They are a Code for the users of the grazings, not the public. Perhaps one way to promote the use of the Template would be to pre-populate it, to speed up the process of approval.

On Policy, the Commission has recently responded to a local development plan consultation for the Inner Moray Firth area, which includes over 700 crofts, on some of the better agricultural land. There is a value in this land, for local food production and food networks, for instance, that crofters can engage with. This area also contains a hinterland area with stricter controls on housing in the countryside. Commissioners were pleased that a submission had been made to the consultation. There was also a recognition of the work done by the grazings team and the limitations on their resources.

#### **(e) Crofting Development**

Head of Crofting Development gave a brief update, as there had already been papers from the team earlier in the meeting. She reported that the second B2 Development Officer would be joining the team shortly and that, when the B1 Communications Officer is recruited, they will join the Development Team, as much of the work of the team has an external focus. Apart from the survey work reported on, the team has held meetings with stakeholders and is learning about peatland restoration, has produced a leaflet, and is getting in touch with Assessors.

A Review into Communications has been completed by an external consultant, which has resulted in lots of things to think about. This will be summarised in a paper for the June Board meeting. In answer to a question, Head of Development confirmed the recruitment process for the Comms Officer is underway, but it may take several months, based on recent experience, for the post to be filled. The CEO confirmed we will be going straight to an external advertisement for the post.

### **13 'ROUND THE TABLE' UPDATES FROM COMMISSIONERS**

The Convener noted that the local market for livestock is good at the moment, which helps people to invest in the land for the future. This is, after all, the focus of the Commission; investing in crofting for the future.

Commissioner Neilson had noted the same good prices when out and about, having spent time on QMS work and a week on Islay. He was still helping on the STWG on forms and, as a result, some policy questions may need to be brought to the Board.

Commissioner Maciver agreed the crofting economy was looking fairly good but urged that others needed to invest in crofting communities too, not just the crofters. He reported problems with sea eagles and geese from his area. Approaches from crofters continue but he is usually able to direct these to officers.

Commissioner Mathieson's work since the last meeting has focused on the Audit & Finance committee and he was thanked for his contribution to the committee's work.

Commissioner Scott said work was getting a lot busier, with restrictions easing and people going back to think about investments such as training, which is for the longer-term. He felt there is positivity in crofting at the moment. He was engaged in meetings connected to upland estates and noted that each interest group tends to focus on their own interest, so what can be lacking is a joined-up approach.

Vice-Convener Mackenzie had been busy with lambing. Sea eagles had also been seen in her area, which is quite a worry. She is sitting as part of a panel on agri/tourism on 20 May, promoting diversification on crofts.

Commissioner Campbell had attended the AFC meeting in April and continued to receive queries from crofters, which he directs to the website if possible. He mentioned that the sea eagle debate was interesting because, while they are predators, they also represent one of the main reasons tourists visit the Highlands and Islands – the wildlife.

Commissioner Holt reported that he was halfway through lambing, so it was a busy time of year.

Commissioner Annal was asked if he had anything to report and the Convener asked if he was in touch with crofters on Orkney. Commissioner Annal remarked that if you put several 100ac crofts in Orkney together, you might have a decent unit and that crofters he spoke to who had decrofted were glad to have done so. He said only places like North Ronaldsay wanted to retain small crofts. When asked about Caithness, he said most crofters want to decroft but that it might be different to Orkney, which has half the cows in the Highlands and Islands.

### **14 DATE OF NEXT MEETING**

The next meeting will be held by Teams on 24 June 2021. The Board would be keen to hold a face-to-face meeting in August, if possible and confirmed that arrangements should be made for an external Board meeting in Lairg in October.

### **15 ANY URGENT BUSINESS**

No urgent business was reported.

The Convener thanked everyone for attending and closed the public session at 13:44.

When the Closed session convened, Commissioner Annal did not return.

## **16 EXCLUSION OF THE PRESS AND PUBLIC**

The Convener thanked everyone for their contributions and closed the meeting at 14:42.

**MATTERS ARISING FROM PREVIOUS MINUTES – ORAL**

# **UPDATE ON PEATLAND AND WOODLAND PROJECTS – ORAL**

# CROFTING COMMISSION MEETING

24 June 2021

Report by the Chief Executive

## Report on Progress Against Strategic Outcomes

### SUMMARY

This paper invites the Board to consider an overview of progress against the aims set out in the Corporate Plan.

### BACKGROUND

In February 2020, Scott-Moncrieff submitted a generally favourable review of Best Value in the Crofting Commission. However, the report recommended that *“In addition to the regular reporting of performance measures and milestones, management should report into the governance structure on the overall progress against the strategy, utilising the corporate outcomes as a basis for reporting.”* The Commission has accepted this recommendation and it has been agreed to report the overall progress against the Corporate Strategy to the Board, every six months.

The Commission’s Corporate Strategy is set out in the Corporate Plan, which has to be produced every five years and must be agreed by the Cabinet Secretary before it is published. The current Plan, which runs to 2022, was initially approved in 2017, and revised in 2019 to better reflect the current Board’s priorities, including their emphases on residency and land use and on communications with crofters, including through assessors.

The Plan identifies a number of success factors for each outcome, and these are the basis for the attached report.

Of course, the Plan makes no mention of adapting to Covid-19 or of the expanded development role.

### PROGRESS AGAINST CORPORATE OUTCOMES

The attached report (**Annex A**) describes overall progress against the aims set out by the Board in the Corporate Plan. This is the second such report, and we have reflected on progress made throughout the term of this Board, as well as the latest 6 month period, and quoting from the 2020-21 KPIs as appropriate.

### IMPACT

The priorities and aims set out in the Corporate Plan provide the context for the allocation of the Commission’s resources on an ongoing basis.



**RECOMMENDATION**

**The Board is invited to comment on the report and give a steer on the priorities for the next 18 months.**

Date            10 June 2021

Author         Bill Barron, CEO

**PROGRESS AGAINST CORPORATE PLAN OUTCOMES AND SUCCESS FACTORS**

<b><i>Outcome and Success Factors from 2019 Corporate Plan</i></b>	<b><i>Overall Progress to November 2020</i></b>	<b><i>Update June 2021</i></b>
<p><b>Outcome 1: Crofts are occupied and managed</b></p> <ul style="list-style-type: none"> <li>• We see reported breaches of duty being resolved successfully with a positive outcome</li>   <li>• We see a reduction in the number of vacant crofts</li> <li>• We see higher rates of residency and cultivation of crofts</li>   <li>• We see a high return rate on the annual Crofting Census</li> </ul>	<p>The KPI reports record the RALU Team’s success against this measure: in 2019-20, 32 absentees took up residency on their crofts, 28 assigned their crofts, 88 sublet them, and 6 breaches were resolved through termination by the Commission. This work continues, and the RALU Team has also been engaging with selected estates and landlords of vacant crofts. A recent Board decision to limit the use of sublets as a way of resolving breaches should help the RALU Team’s work to have more lasting beneficial impact.</p> <p>We do not have effective measures of the overall rates of residency and cultivation across the crofting counties. However, despite the increased activity by the RALU Team, it is not possible to have confidence, let alone evidence, of an overall improvement in residency and land use – it is perfectly possible that the Team’s gains in a few hundred crofts may be outweighed by reverses elsewhere. The Commission has therefore agreed to increase the RALU Team’s resources and to broaden its work.</p> <p>The response rate fell dramatically for the 2017 census (spring 2018), but has since recovered to the higher level seen in 2016 (76% response rate).</p>	<p>This work has been hampered by Covid-19, but a further 49 breaches were resolved by RALUT action during 2020-21: 16 new consents to be absent, 15 sublets, 12 assignments, 2 crofters taking up residency and 4 terminations.</p> <p>Plans to expand the RALUT work were set out in detail in the 2021-22 Business Plan and recruitment of two additional staff is taking place.</p> <p>The response rate for the 2020 census slipped to 73%, perhaps affected by Covid. 73% is, however, still a little above the average response rate for the previous 5 years (71%). One in five returns was submitted online, a sharp increase from the previous year.</p>

<b><i>Outcome and Success Factors from 2019 Corporate Plan</i></b>	<b><i>Overall Progress to November 2020</i></b>	<b><i>Update June 2021</i></b>
<p><b>Outcome 2: Common grazings are regulated and shared management practices continue</b></p> <ul style="list-style-type: none"> <li>• We see an increase in adoption of the new grazings regulations</li> <li>• We see an increase in the number of regulated common grazings</li> </ul> <ul style="list-style-type: none"> <li>• We see an increased number of common grazings registered on the Crofting Register</li> </ul>	<p>In 2019/20, proactive work by the grazings team secured a significant increase in the number of grazings committees in office, and they continue to focus on this despite the issues resulting from Covid restrictions in the crofting communities. Revision of grazings regulations in the light of the new template has been gradual but steady. The team continue to give practical assistance and advice to grazings committees and shareholders as necessary.</p> <p>The Commission has not made this a priority and only one additional grazings has been registered since 2016. The Commission is about to launch a review of this work</p>	<p>The grazings team has used powers under the Act to facilitate the continuation of grazings committees or the appointment of new ones, despite covid lockdown. As a result, the number of grazings committees in office has continued to rise. The team has also delivered online training to grazings committees and continued to research shareholder positions. Together with the template and guidance, which of course remain available, the result is that grazings committees are in a much healthier position than in 2017.</p> <p>No update</p>

<b>Outcome and Success Factors from 2019 Corporate Plan</b>	<b>Overall Progress to November 2020</b>	<b>Update June 2021</b>
<p><b>Outcome 3: Crofting is regulated in a fair, efficient and effective way</b></p> <ul style="list-style-type: none"> <li>• We see improved turnaround times for Regulatory applications</li> <li>• We see improved quality of applications and improved Customer Satisfaction rates</li> <li>• When our decisions are challenged, the great majority of them will be upheld by the Land Court</li> <li>• We see an increase in services available to crofting communities and other stakeholders through digital delivery</li> <li>• Empowerment of staff to take decisions at the appropriate level, continues to enhance customer service</li> </ul>	<p>The improvement of the regulatory services to customers has been a consistent priority for the Board throughout its term, and especially since the ‘backlog’ difficulties of summer 2018. Considerable progress has been made on a number of fronts:</p> <ul style="list-style-type: none"> <li>- The Tiered system of decision making is now well established and working well.</li> <li>- Priority has continually been given to the staffing of the regulatory team, and in the last year dedicated resources have been devoted to training. The number of cases being processed was at a high level in both 2018/19 and 2019/20, though it will decline this year because of the impact of Covid-19. Turnaround times have improved.</li> <li>- Improvements have been made to the processes for handling difficult cases. In particular, the publication of parameters and the triaging system have increased the overall speed of responses, by anticipating and resolving problems at an early stage.</li> <li>- The Register of Crofts went online in 2017 and details of decroftings were added in 2019.</li> <li>- The Legal and Regulatory Support team have worked hard to ensure decisions are soundly based in the law and explained in strong grounds. Only two appeals have gone against the Commission in the 3½ since the current Board took office.</li> <li>- An improvement project in autumn 2019 identified a number of smaller areas for improvement, which have been implemented.</li> <li>- The initial responses to the Customer Satisfaction questionnaire were very favourable.</li> </ul>	<p>Regulatory casework processing was substantially affected by covid-19 during the year, as at various times in the year it affected staff availability, mail processing and connectivity.</p> <p>As a result, median turnaround times significantly worsened: from 8 to 11 weeks for an assignation, and from 13 weeks to 23 weeks for a part-croft decrofting. Besides covid, other causes may have included a more restrictive Commission policy on decrofting applications.</p> <p>The total number of cases discharged during the year 2020-21 was 1033, 500 fewer than the previous, pre-covid, year. However, the number of applications received also fell, by nearly 400, so the increase in the number of cases in progress has been limited to around 100.</p> <p>Customer service feedback continues to be positive and complaints numbers continue to be low.</p>

	<p>- We have continued to handle complaints and cries for help with sensitivity and skill. The number of complaints being upheld is currently very low.</p> <p>The current priority is to build on these improvements through delivering interactive application forms and an improved release of CIS. Work on both of these is ongoing.</p>	<p>Three major projects to deliver online applications, the next release of CIS, and migration to the cloud, are progressing. In addition, an internal audit report has recommended a review of governance of planning and delivery of enhancements to CIS, which is now being considered by a Board led Steering Group.</p>
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<b><i>Outcome and Success Factors from 2019 Corporate Plan</i></b>	<b><i>Overall Progress to November 2020</i></b>	<b><i>Update June 2021</i></b>
<p><b>Outcome 4: The future of active crofting is supported by well-informed engagement with stakeholders</b></p> <ul style="list-style-type: none"> <li>• We see an increase of collaborative working with Highlands &amp; Islands Enterprise and other stakeholders, on joint initiatives</li> <li>• Crofters and others engage with Commissioners and assessors in an open and constructive debate about the future of crofting.</li> <li>• There is continued recognition of the value of crofting in sustaining biodiversity and reducing food miles</li> </ul>	<p>Perhaps the Commission's main achievement under this heading has been to restore our credibility. The current Board took office in 2017 at a time when the Commission was poorly regarded by many crofters and crofting organisations, and the new Board made it a priority to be open for dialogue with crofters, for example by attending shows and hosting public meetings. Staff and commissioners have played an active role in the Cross Party Group, the Crofting Stakeholder Forum, the Crofting Bill Group and the Law Society review of aspects of crofting law. We have had an active presence on social media, upholding the values of crofting and of the Commission. As a result, while we still incur criticism for some of our decisions, the Commission's voice now carries weight and respect.</p> <p>The resources recently provided by the Scottish Government for an expanded development role provide the opportunity for the Commission to progress Outcome 4 in new ways.</p> <p>However, there have also been disappointments. The Commission has not taken forward any substantial joint work with HIE or the Land Commission; It has proved difficult to maintain communications with assessors at the level we had intended; and the considerable work we put in to advising on a Phase 1 crofting Bill has been parked, along with the Government's progress towards that Bill. The Commission has not been much involved in the debates about the future of support payments, despite this being of huge significance for the future of crofting.</p> <p>The Commission has discussed how crofting can respond to the biodiversity and climate change crises, but arguably could take a stronger public lead on these issues.</p>	<p>A Crofting Development team has been established, with a B3 manager in Inverness and two newly-recruited Crofting Development Officers in the Western Isles. Plans for the work of this team include:</p> <ul style="list-style-type: none"> <li>• Develop a signposting portal within Commission website in order to direct crofters and the public to relevant websites and information related to crofting. This was done as part of the website refresh</li> <li>• Produce information about choices for crofters who are considering passing on their croft.</li> <li>• Investigate reasons why crofts are not passed on (temporarily or permanently) when duties are not met and develop strategies to promote croft turnover.</li> </ul>

<b><i>Outcome and Success Factors from 2019 Corporate Plan</i></b>	<b><i>Overall Progress to November 2020</i></b>	<b><i>Update June 2021</i></b>
<p><b>Outcome 5: Our workforce has the right skills and motivation to perform well, and our governance processes are best practice</b></p> <ul style="list-style-type: none"> <li>• We see proactive Workforce Planning used within the organisation</li> <li>• Continued investment in the development of staff and the Board</li> <li>• We see increased job satisfaction across the organisation</li> <li>• We see robust risk management in line with best practice</li> </ul>	<p>A Workforce Plan was approved by the AFC in January 2020, and most of the actions in it have been implemented. The one gap – succession planning – is to be addressed in the next 2 months.</p> <p>In 2020 there has been renewed emphasis on training for regulatory staff and for Commissioners.</p> <p>The overall barometer provided by the annual Staff Surveys showed improvements in spring 2018, a deterioration in spring 2019 (following the ‘backlog’ of the previous summer) and then a marked improvement in 2020. Action plans to address the problematic issues are agreed with staff each year.</p> <p>Our risk management policy and processes are now embedded and working well, and were supported by the Assurance Analysis late in 2019. Audit reports have continued to highlight much good practice within the Commission, in areas such as our finance processes, efficient use of resources, GDPR/Data protection, complaints handling, and our Annual Report.</p>	<p>A revised Workforce Plan was prepared for AFC in January 2021 and was welcomed by AFC and Audit. However, it has been suggested that this should be revised further to include a more definite forecast of the staffing position that the Commission wishes to achieve in a few years’ time.</p> <p>April 2021 staff survey confirms improved satisfaction with learning and development.</p> <p>A staff survey in April 2021 showed a further marked rise in the engagement score, with particular improvements for the quality of line management and inter-team working. A renewed staff survey action plan is currently being developed by the Staff Engagement Group.</p> <p>Our risk processes are well structured but there is scope to improve the content of the registers.</p>





20-25		High		<h1>Strategic Risk Register (SRR)</h1>														
10-16		Medium																
4-9		Low																
1-3		Very Low																
Risk No	Corporate Outcome	Risk Description (what is the thing that could jeopardise the outcome being achieved?)	Potential Consequences	Untreated Score (how bad if we were doing nothing at all)			Desired Outcome (to prevent the risk from materialising or from having too much adverse effect)	Current Control Actions in place	Current Score			Risk Movement	Additional Planned Actions	Achievable Score (once all our current plans are implemented)			Owner	Last updated
				Impact	Likelihood	Total			Impact	Likelihood	Total			Impact	Likelihood	Total		
003	Crofting is regulated in a fair, efficient and effective way	Volume and complexity of casework exceeds CC's ability to deliver high standards of customer service due to budgetary constraints - currently exacerbated by the effects of Covid-19.	Reputational - decline in performance either in quality of decision making or turnaround times.  Resources - staff may feel under increasing pressure and stress may become an issue.  Sponsor Relationship - decline in performance may lead to tension between the Commission, Sponsor Branch and the Cabinet Secretary.	5	5	25	Continued process improvement supported by use of digital service delivery provide enough capacity to absorb future budget pressures whilst maintaining good service provision. Additional temporary resources to be made available during pandemic to mitigate the effects of home working, since March 2020 the number of applications received remains higher than the number of applications being discharged. Daily support for staff to progress work by way of Skype and Teams during Covid-19 period.	Additional permanent post added to regulatory team as part of new money from summer 2020. Resilience provided from an experienced member of staff to support the team during periods of pressure.  Provision of Register of Crofts Online, including Decrofting directions hosted publicly.  Ongoing process reviews  Monitoring of turnaround times through KPI quarterly report to provide early warning of issues. During Covid-19, weekly monitoring of application/notification receipt and allocation of applications/ notifications to staff. Monthly monitoring of applications/notifications received, discharged and outstanding. Attention being given to cases that have been outstanding longer than 12 months but have not yet reached conclusion.  IS team providing technical support as homeworking issues arise.	5	5	25	Static	Additional FTA post being added to regulatory team for 2021/22. Further review of staffing complement for the Regulatory Team  New version of CIS expected. In addition, following an Azets report which highlighted risks to control of delivery of enhancements to our main IT system, a Commissioner-led Steering Group has been established to overhaul governance of CIS and make recommendations for improving the interface between users and CIS developments, and the delivery of improvements; and to consider strategic options for the longer term.  Ongoing work with RoS to improve registration processes  Full review of application forms to make them more fit for purpose, with planning ongoing to facilitate a full digital return to remove the requirements for manual duplication of work entering into the CIS  Limited trial of digital payments headed up by head of finance with a limited number of trusted agents. If successful this will lay the groundwork to examine digital payments for all  Further review of MI products, including scoping missing requirements.	4	4	16	Head of Operations & Workforce  Head of Digital & Improvement	Jun-21
004	We inform and support the future of active crofting	Conflicts arise due to clash between the crofting system, the modern environment and economy and different stakeholder agendas. Failure on the part of the Commission to agree any collective view on supporting the future of active crofting.	Crofting legislation and other systems don't improve.  SG, SCF and NFUS have low regard for the Commission.	4	3	12	Commission positions on key issues for the future of crofting are developed, involving discussion with partner organisations.  Commission implements an effective 'development' role, including the outward facing posts in the Western Isles	<b>Additional funding provided to the Commission to expand our role of developing and promoting crofting. Two development officers being recruited to the Commission in Spring 2021</b>  <b>Input provided to SG drafts of the National Development Plan</b>  Regular meetings between Convener/CEO and key stakeholders.  Participation in Cross Party Group on Crofting and Crofting Stakeholder Forum.  Web presence and videos.  Input given to Law Society review of aspects of crofting law	4	2	8	Static - but the focus has changed from the 'future of crofting' work to the National Development Plan and the Commission's expanded role	Work with development officers and partner organisations to implement a new stream of Commission work  Promote the interests of crofting in further engagement with SG about support for crofting.	4	2	8	CEO/Solicitor/ Head of Policy	Jun-21
005	Our workforce have the right skills and motivation to perform well and our governance processes are best practice	Inability to recruit and/or retain good/experienced staff, because of budget constraints or for other reasons.	Impact on any of the above corporate outcomes, as a result of one or more teams being short of experienced staff.  Loss of valuable crofting knowledge.  Resources - staff may feel under increasing pressure and stress may become an issue.	4	4	16	A staffing structure which allows delivery of all key outcomes within budget set by SG.  Training and succession plans in place to provide career development opportunities and processes in place to ensure resilience in terms of knowledge management.	Workforce plan to support training and succession planning.  Prompt recruitment when necessary to fill posts.  Staff Survey conducted in August 2020 and Action Plan for improvements developed and issued to staff. Actions for 2020 Staff Survey implemented. Increased focus on the wellbeing of staff with a Wellbeing page created on Teams with information and services. Events to support wellbeing being organised by the Staff Engagement Group.  Representations made to SG about future budgets.  Regulatory allocation of work moved to pooled work model to assist with fair distribution of work. Training Officers in place and training material being reviewed and made more accessible.  Wellbeing events for all staff, including webinar by SG wellbeing officer and yoga sessions	4	4	16	Static	Workforce plan to be integrated with financial planning, and used as an ongoing tool. Workforce Plan to be updated to take into account current circumstances relating to the addition work resulting from additional funding and the ongoing pandemic. Review and continue to progress workforce plan action plan.  Actions Plan from 2021 CC staff survey being developed.  SEG considering further wellbeing events.	3	3	9	Head of Operations & Workforce	Jun-21

20-25		High																		
10-16		Medium																		
4-9		Low																		
1-3		Very Low																		
				Untreated Score (how bad if we were doing nothing at all)				Current Score			Risk Movement	Achievable Score (once all our current plans are implemented)				Last updated				
Risk No	Corporate Outcome	Risk Description (what is the thing that could jeopardise the outcome being achieved?)	Potential Consequences	Impact	Likelihood	Total	Desired Outcome (to prevent the risk from materialising or from having too much adverse effect)	Current Control Actions in place	Impact	Likelihood	Total		Additional Planned Actions	Impact	Likelihood	Total	Owner			
006	All aspects of the Commission's objectives	Covid-19 and the closure of Great Glen House has hampered delivery of the Commission's work as a result of: loss of staff availability through caring responsibilities and other home working constraints; IT connectivity challenges; lack of access to GGH facilities such as postal services, printing, meeting rooms		5	5	25	All Commission processes operating adequately by means of remote working combined with occasional GGH access.	Business Continuity Plan activated initially, lessons learned log compiled. Backup for key CC staff positions identified or under discussion.  Health & Safety committee strengthened, new policies developed and H&S monitoring in place, both for staff in the office and for those working at home.  IT equipment and office equipment supplied to staff's homes, and adjustments made to system and firewall to permit more efficient access. Additional server purchased to enhance performance, and much individual advice given to staff about resolving connectivity issues. Teams used regularly for meetings including Board and AFC meetings.  Partial reopening of GGH agreed with NatureScot and implemented from the start of November 2020, but temporarily reversed following new lockdown of Jan 2021.  Bespoke continuity plans in place for Finance team.  Short Term Working Group on home working and remote working has reported to SMT and the Board  Teams licenses enhanced to allow all staff who need it the ability to make and receive phone calls through Teams	4	5	20	Static	Continual improvement to the performance of remote working and staff's experience of home working.  Liaison with NatureScot regarding greater use of GGH when lockdown conditions permit. Long term strategy for remote and home working being developed in response to the Short Term Working Group's report.  Options being identified and tested for moving CIS to the cloud, in order to enhance resilience and reduce dependence on a physical office location.	3	5	15	CEO	Jun-21		
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# CROFTING COMMISSION MEETING

24 June 2021

Report by the Chief Executive

## Communications Review

### SUMMARY

A review of external and internal communications for the Commission was recently undertaken. The main findings are presented below.

### BACKGROUND

The Commission recently engaged Jane Craigie Marketing to review their external and internal communications. This was to provide recommendations for improving perceptions of the organisation as well as presenting a warmer and more positive narrative about crofting and the Commission's role. Jane Craigie Marketing interviewed stakeholders including staff, Commissioners, assessors, consultants and crofters to gain an insight into the perceptions of Commission communications and engagement. They also reviewed the Commission's recent press, digital and social media activity. Altogether this was used to inform a recommended communications strategy to address the challenges and achieve the Commission's objectives.

### KEY POINTS

Perceptions around the Commission's role was found to include the recognition of it as a vital body as well as being under-resourced and distant. The complexity of crofting legislation spills over into the perception of the organisation. Recommendations from the review included to soften the organisation's image and give the Commission and Commissioners a human face. Opportunities to lead the narrative around crofting, its future and related issues could be taken. More case studies could be used in order to communicate issues in an engaging way. Internal communications have seen some improvements, however there can be confusion around internal information and it is recommended that this is streamlined.

Key excerpts from the review are included below (see **Annex A**), including key findings, strategic objectives and ideas for storylines and topics.

Impact:	Comments
Financial	n/a
Legal/Political	Improvements in perceptions of the organisation and increased awareness of crofting issues will raise the profile of the Commission and increase the likelihood of increased funding for crofting and the Commission.
HR/staff resources	Improvements to internal communications will improve staff efficiency and satisfaction.

**RECOMMENDATION**

That the Board discuss and note the findings of the review, and advise whether they would like a presentation from Jane Craigie Marketing on a date to be arranged.

Date            27 May 2021

Author         Heather Mack, Head of Development

These include the following from the Jane Craigie Marketing Reviews: Key Findings; Strategic Objectives; and Storylines and Topics.

## Key Findings

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- The CC is seen as a **vital body** (alongside other stakeholders) for ensuring a strong future place for crofting in Scotland, and in representing the crofting system and structure, making the case for it to be supported politically and financially.
- The CC is perceived as being **under-resourced** with many interviewees saying that the organisation is doing the best that it can with limited resources.
- The CC has many opportunities to lead, be involved and to comment on crofting, its role and its future, even those with negative perceptions recognise the important role that the CC has in ensuring that **crofting remains part of the fabric of Scotland, its heritage and its land management**. Many also see that its role is to be involved/lead the debate on crofting as a mechanism to **tackle depopulation, climate change and biodiversity management**.
- The CC needs to **modernise and soften its image and get more involved in the crofting debate**. Areas cited include focus on young people, women, entrepreneurs, crofters as a powerful collective for the future, as well as good examples of traditional crofting/common grazing done well.
- **Good news stories** of how the CC has dealt with absentee or unworked crofts with a positive outcome would be well received – e.g. a new young crofter being mentored by the older crofter.
- The **grazings team is doing a great job** and has made a real impact on the ground, bringing a number back into 'office', much more collaboration in Common Grazing agreements, active meetings etc.
- Community visibility – the CC needs to be more **physical and human** – face to face engagement and online meetings, including a **wider representation of the CC team** is seen as crucial for **improving perception, local insight and building trust**. Development roles will help here. Commissioners have been well received. Commissioners and staff together are invaluable – they have the legislative skills to explain.
- Changes to crofting legalities **not well communicated** by the CC.
- Social media could be used far more effectively to **communicate changes, updates, calls to action** than is currently the case.

# Key Findings

## Continued

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- The economics and legalities of crofting spills out into the perception about the CC. Lack of understanding and the frustrations of making a living/applying for grants etc. **Signposting and access to information/toolkits** could help this.
- The CC team holds a lot of knowledge and insight which would be valuable communications.
- **Customer service is perceived as being poor and slow.** This creates animosity. The CC is blamed for slow response, when it could well be other players in the crofter's case e.g. lawyers holding up the process. Lack of communication exacerbates the situation.
- CC is **viewed externally as a distant and largely uncontactable body**, in need of fresh blood – opportunity to build relationships **with increased presence in the community** and through digital channels with creative, engaging content and interaction.
- More could be done to **undertake joint communications** with stakeholders involved with crofting, e.g. ScotGov, local authorities, NFUS, SCF.
- Digital channels need **greater ownership and content curation** to reach different audiences and stakeholders.
- Press coverage is currently **largely passive** with little or no input from CC - opportunity to do more to control the narrative in the media.
- Internal communications are creating a **void in knowledge** and potential for learning from each other - opportunity to improve internal communications through regular proactive email and WhatsApp activity.
- Internal knowledge management and processes are unclear and could be simplified.
- Internal communications have been aided by fortnightly team meetings; team updates could help enhance the experience further.
- CC staff are **well respected** and could be utilised more for **external communications**.
- The annual census is seen as a **missed opportunity** for gaining more insight from crofters and communicating what, why and how the CC works. This communication costs £15k annually and could be used as an opportunity to engage and inspire recipients.
- The Cross-Party Group is seen as an important stakeholder liaison exercise.

# Strategic objectives

Strategic objectives have been crafted to help positively position the CC with internal and external stakeholders.

## Internal:

Improve internal communication to ensure a two-way symmetric model of communication is employed.

## External:

To increase understanding and awareness of CC's role and create a clear identity of what it is and what the members of the team do.

- To position CC at the heart of the crofting debate.
- To illustrate CC is there to support not hinder and to drive increased contact for advice/support and applications to sustain/progress crofts.
- To drive traffic to the website.
- To increase Government funding for CC.
- To build community and sense of belonging.
- Boost positive engagement.
- To build and continue a 360-degree story of positive CC activity.



# Storylines and topics

Storyline/topic	Description
Future of crofting in repopulation, climate change mitigation, tourism/agritourism, biodiversity emergency.	Leadership opinion pieces from Bill Barron and Commissioners. Blogs. Social media content.
Technical comment - Policy changes, crofters' rights and responsibilities, grants etc.	Comment and updates on policy/grants – what's new, what's changed. E-newsletter. Website. Social media.
Annual – status of crofting press briefing.	A year in view. Stats, facts, changes, number of cases etc. External speakers e.g. SCF, NatureScot. Held in person (with a meal) or online.
Developing crofting for the future.	Utilise the two new crofting development officers to talk about great examples of the development of crofting. Give them voice and a profile as the modern face of the CC.
Press visits.	Ad-hoc – e.g. a day out with a Commissioner to meet some interesting crofters, or a group visit (as JCM did for SAC Consulting to Lewis & Harris).
Events and meetings – CC only and third party.	Reports – on website. Press releases (pre). E-newsletters.
Case studies. Use of crofts	Press features. Press releases – linked to a news story e.g. youngest crofter, diversification winner, habitat creation, retiring from a croft, absentee returns, developing crofts' infrastructure, use of grants, working collaboratively etc.
Case studies – common grazing.	As above, but focus on common grazing examples and collaborations. Rights, grants etc.
Training/skills development.	News on training and skills development activities – good for local press.
History of crofting. What they were, what they are now. Peat cutting and other historical rights.	Regional features for regional/local publications e.g. Stornoway Gazette. National features e.g. on reaching a milestone e.g. 200 year anniversary of ?? Linked to a case study, the story of the croft and a family. Invaluable social media content that could soften the image of the CC.
Heritage and culture.	The role of crofts, crofters in the history and heritage of landscape, place, community, buildings, land use etc.
Communities in focus.	Crofting at the heart of communities.
People in focus – e.g. Commissioners, Assessors, Development team.	People profiles. Blogs, features and YouTube videos.
Language is leadership	CC staff learning Gaelic to connect with crofters. The impact of this both culturally and in a regulatory function



# CROFTING COMMISSION MEETING

24 June 2021

Report by the Chief Executive

## Annual Notice (Census) 2020/21 findings and proposal

### SUMMARY

This paper summarises the findings of the 2020/21 Annual Notice, and some proposals for carrying out the census moving forward.

### Background

The Crofting Commission (CC) is required to carry out an Annual Notice (referred to as the census) each year as per the Crofting Act. In the past this process was done through a largely manual process, with a considerable time focus on Commission staff.

This past annual notice the Commission trialed using an external third party to carry out all postal handling and scanning of census returns.

This paper evaluates the success of that process, and the comparison between the digital and paper returns, and raises some proposals for consideration for the 2021/22 census.

### The 2020/21 census

For the 2020/21 census, the Commission decided to use an external contractor to remove the majority of the burden of manual mail processing and scanning. This was done after a planning exercise showed that the estimated costs would be comparable to the previous processes, with the benefit of staff time savings totalling as much as 400 hours. When sourcing a contractor to perform this, Pearl Scan was chosen as they offered a full range of services from mail handling to reporting.

This decision was later ratified when the Covid-19 Global Pandemic struck, and the contractor was able to remain active and continue as planned due to being classed as key workers, when conversely the Commission would have had limited to no access to perform these duties itself.

The census process was a success, however it was not without issues and lessons to learn, which are summarised below.

**Return rate**

This year the Covid-19 global pandemic will have had an unknown impact on the census return rate, however it would be anticipated that the digital return rate may have increased in response to this, despite this being only the second year this was offered. The table below shows the return rates for the 2019/20 census compared to the 2020/21 census:

2019/20 census			2020/21 census		
Total returns	Digital returns	% digital	Total returns	Digital returns	% digital
14,726	1,674	11.4%	14,297	2,820	19.7%

This shows that although the percentage of respondents that chose to use the digital portal increased, it remained at just less than one-fifth of the total respondents.

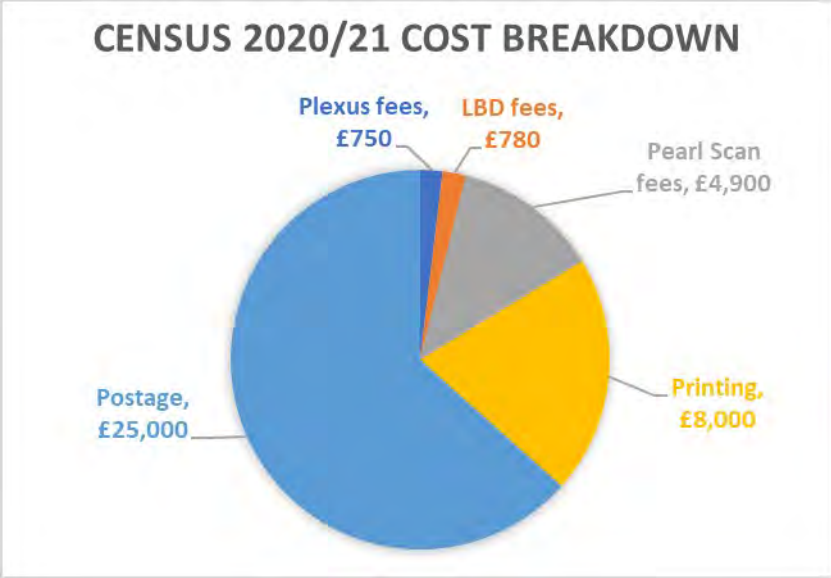
There remains approximately 4000 issued census forms that do not get returned year on year, based on number of forms issued against number of returns submitted.

**Cost breakdown**

The total cost of the census to be done in postal format came to approximately £39.5k (rounded to £500). This cost split down across fees to contractors, printing, and postage to and from crofters. For comparison, the financial cost of the 2019/20 census totalled £31k, with an estimated staff hours cost to the Commission of £7.5k, giving an effective real-world total cost of £38.5k.

The approximate breakdown of the cost is as follows:

1. Digital configuration and testing - £750, paid to Plexus Media
2. Census form design and digital production - £780, paid to LBD
3. Setup and PO box fee - £1,200, paid to Pearl Scan
4. Printing and mail merge - £8,000, paid to Pearl Scan
5. Postage to customers - £17,700, paid to Royal Mail via Pearl Scan recharge
6. Return postage to Pearl - £7,300, paid to Royal Mail
7. Scanning and processing - £3,700, paid to Pearl Scan



This shows approximate costs (with rounded figures), and shows that approximately 84% of costs go directly into printing, mail merging and postage. There is a small element of ancillary costs which will not be captured here, and which will amount to less than £1k.

The digital costs are reflective of only minor alterations to the website portal for this year's return with the majority of the initial setup costs being absorbed for the 2019/20 census where this was first introduced. This cost will be comparable year on year ongoing without substantial changes to the census.

An additional cost of £2.2k was incurred to print and post a circular notification to all grazings share holders around the data breach.

**Issues and lessons learned**

The use of an external contractor presented several areas that the Commission has looked at as part of a lessons learned exercise, with the following key factors to be noted:

Issue	Lesson learned
The return address stated the Manchester address of Pearl Scan. This generated queries.	This caused less than 10 enquiries, however it could have been avoided by using a mail forward from a local mailbox that would display an Inverness address. This was not a known possibility at the time the envelope design was confirmed.
The PO Box set up was done incorrectly, mail was held in a depot and created a backlog.	Royal Mail proofed the return envelopes, however this process checks positioning and print quality only, and does not verify correct details which was not known. The issue lay with an Inverness PO Box account pointing to a Manchester address. The Commission cannot simply accept the Royal Mail validation as confirmation of correct details as it is now clear this is not verified.
A limited number (less than 20) of grazings shares had the incorrect form inserted, resulting in a data breach.	<p>Pearl offer a 99% accuracy guarantee on a standard service, however a more robust service which guarantees a 100% accuracy is available. This was not established until after issue and something that the Commission would ensure was explored fully in the future if the additional cost was reasonable.</p> <p>There is no data available on whether a similar issue ever occurred under the previous system.</p>
Pearl Scan issued all forms in individual envelopes, resulting in crofters with multiple interests getting multiple envelopes, including return envelopes.	Extensive meetings and discussions had been held to establish the required process, however a singular detailed term of reference was not produced. Pearl Scan admitted this was their error and credited the difference in costs relating to printing and processing based on meeting records. The Commission should ensure a comprehensive term of reference is completed in the future as part of establishing any contract.
Census forms were sent A4 and unfolded in line with previous years, incurring significant cost.	This was a missed opportunity. The Commission asked for unfolded forms because this had been necessary in previous years. However, post issue Pearl Scan confirmed this is not a requirement for their scanning equipment and forms could have been folded resulting in a less expensive postal service being required. The Commission will learn from this for all future census runs.
The cost of Royal Mail services was higher than forecast.	In previous years a different contractor sourced via LBD was used for the outgoing mail, however they are no longer trading. Anticipated costs for mail were taken from previous years with an inflation element, however the actual costs were higher than expected. It cannot be determined why costs were so much lower in previous years as a comparable service was used. This is something the Commission would need to be more aware of for all future census cost forecasts.

The most significant of the issues was the incorrect forms going to some crofters for Grazings Shares, which was classed as a data breach as personal data not available via the Register of Crofts online was mistakenly disclosed. Investigation at Pearl Scan revealed that a robust checking process was in place that guaranteed a 99% accuracy, and in reality the number of incorrectly stuffed envelopes was considerably less than this margin. Pearl Scan have subsequently noted that a more costly service that performs a triple check and guarantees a 100% accuracy is possible.

It should also be noted that the census was carried out in full during Covid-19 pandemic conditions whereby had Pearl Scan not been contracted, or another suitable contractor who were a key worker service, the issuance of the census would likely not have been possible at all as the Commission had only limited access to its office base.

**Proposal for 2021/22 census**

The Commission will soon begin planning for the 2021/22 census, which this year will overlap with the Board of Commissioner elections, and so needs to confirm how this will be run. This paper offers several suggestions on how this might be done, along with the advantages and risks as identified through this document. The three basic alternatives are:

Proposal	Advantages	Risks and impacts
Revert to an in-house paper census, with a digital option	<ul style="list-style-type: none"> <li>• The return address will be Great Glen House</li> <li>• The accuracy of the envelope stuffing will return to Commission control</li> </ul>	<ul style="list-style-type: none"> <li>• The Commission will need to renew licencing for the scanning</li> <li>• Staff will require upskilling</li> <li>• A resource cost estimated at 400 hours of time (multiple grades)</li> <li>• Additional pressure of the elections will create a risk of error</li> </ul>
Continue using an external contractor, paper-based returns, with a digital option	<ul style="list-style-type: none"> <li>• Lessons learned from the 2020/21 census can be employed to lessen the issues encountered</li> <li>• Now an established process, if using the same contractor setup should be easier and minimal impact</li> <li>• An external contractor with more sophisticated scanning equipment can allow more cost-effective postal options, such as folding the form, which would reduce costs significantly</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing postal costs raise the cost each year</li> <li>• Potential repeat risk of a data breach, though opting for a more expensive service may mitigate this</li> <li>• If using a different contractor this would take time to source and go through the setup process</li> </ul>
Move to promote a digital only return, with paper returns by exception only for accessibility reasons	<ul style="list-style-type: none"> <li>• Potential to remove the majority of return processing and postal costs</li> <li>• Best environmental option by reducing the carbon footprint of the census</li> <li>• Omission of a pre-paid return envelope may promote better digital response rates</li> <li>• Resource saving for the Commission as all data is ready collected and in digital format</li> <li>• RPID have moved to a digital only return from 2021/22, which aligns loosely with the Commission census issue. Promotion of this has started which may aid crofters in expecting a digital only option this year as it would align to RPID stance</li> <li>• Better completion quality as customer cannot omit a mandatory answer</li> </ul>	<ul style="list-style-type: none"> <li>• An unknown number of crofters may choose to do a handwritten return, all of which would require manual processing by Commission staff</li> <li>• An unknown number of crofters may request a paper form on accessibility grounds, requiring the Commission to issue this. These would need to be manually processed, or normal scanning processes would need to be established in advance as a contingency</li> <li>• Return rates may reduce if crofters refuse to follow the digital return route</li> <li>• Risk of increased queries from crofters struggling to follow the digital return route, increasing calls to Commission staff</li> </ul>

## Questions for the Board to consider

### 1. *How strongly should we push digital returns?*

The system of digital returns, introduced two years ago, has worked seamlessly, and has clear advantages of both cost and accuracy. But the numbers using the digital return have risen only slowly. How best can we encourage greater use of it?

To require digital returns *compulsorily*, would be seen as an extreme position and is not recommended. We are unaware of any other statutory return required from citizens which can only be done online. For example, DVLA encourage online taxation of vehicles but also allow people to tax their vehicles over the phone or at a post office. If the Crofting Commission were to insist that digital return was the only option, there would likely be a sharp reduction in return rates, adverse publicity from stakeholders and journalists, and questions about accessibility of any chosen format for disabled people. Legally, any crofter who ignored the digital return but posted a letter to the Commission giving the required information, would have complied with their obligations to respond to the Annual Notice. If legislation requires the Commission to send a physical or paper notice to each crofter, it is implied that it is acceptable legally to return the information in a physical or paper format. This does not prevent the Commission from promoting electronic returns.

The choice is, therefore, whether we:

- a) As in previous years, issue paper forms and return envelopes to all, but encourage them to use the digital method in preference; or
- b) Issue letters only, explaining how to use the digital return but also giving crofters the option of phoning the Commission to ask for a paper form to be sent to them, or completing an online form to request one.

We consider that it is too soon to go for the option (b), given that last year, only 20% of returns were made digitally. Under this option, there is a clear risk that the phone line could be swamped, and the overall cost of the mailshot (including staff time) would be increased because thousands of forms would have to be sent out individually. Instead, we should plan to move to option 2 in a few years' time, when the rate of digital returns has increased further.

### 2. *Should we contract out both the mailshot and the scanning of returns, or do all the scanning in house?*

The Commission has always contracted out the mailshot, to a company with the equipment for a bulk mailshot. There seems no reason to discontinue this.

The innovation for the 2020 census was to have returns sent for scanning to a contractor as well. Although we encountered a number of problems with this, we recommend repeating this approach, by securing a new contract for one year, with an option for the Commission to extend it for one or two more years. This would not necessarily be with the same contractor, we would consider alternative options and our overall procurement approach. The reasons for preferring a contracted out solution are:

- It cannot be assumed that we will have full occupancy of Great Glen House by January 2022, so processing the returns ourselves may not be easy.
- The various problems encountered last year can be resolved, taking account of the lessons learned.
- While cost comparisons are uncertain at this stage, it is probable that the contracting out option will result in cost savings, especially if the full power of the available technology is harnessed.

### 3. How can we encourage a higher response rate?

For the 2020/21 census, the Commission utilised its network of assessors to call a small number of crofters who had been identified as having not returned a census for two consecutive years. The results of this are displayed below:

Customers tried:	46		
Number spoken to:	36	78%	
Received form:	29	81%	Of the 36 who were spoken to
noted got incorrect form:	0	0%	Of those who had received a form
Not yet returned:	26	90%	Of those who had received a form
Intends to do return:	24	67%	Of the 36 who were spoken to, both who did and did not get a form
Intends to do digital return	14	58%	Of those who noted they intended to do a return
Does not intend to do a return	2	6%	Of the 36 who were spoken to, both who did and did not get a form

This shows that of the crofters who were spoken to, 67% noted they intended to do a return, despite having not returned a census for two consecutive years. This was later verified and all customers did indeed do a return. Two did not intend to do a return, however there were valid reasons for this noted.

It therefore appears that phone calls to encourage response do work. We recommend that this approach should be extended in February 2022, organising a larger scale set of phone calls, targeted at those who have not sent in census forms for the last 2-3 years.

Impact:	Comments
Financial	<p>The cost of the postal service is substantially more than digital returns, estimated at £7.3k for the return postage of forms. The external contractor added approximately £3.7k to this cost for processing and scanning.</p> <p>Staffing costs within the Commission saved an estimated £7.5k against outsourcing.</p> <p>Year on year the cost of the 2018/19 census against the 2019/20 census presented a real world cost increase of approximately £1k.</p>
Legal/Political	<p>Legally the annual notice is a statutory notice, and in terms of the Crofters (Scotland) Act 1993 must be served "in writing" on the crofter/ owner-occupier crofter by registered post or recorded delivery (or left at his or her proper address) requiring the crofter/ owner-occupier crofter to provide the Commission with information on his or her compliance with crofting duties.</p>
HR/staff resources	<p>It is estimated that the in-house method equated to approximately 400 staff hours of time to open and process mail returns. If in-house processing were undertaken, this would likely require the recruitment of one or two temps.</p>

## **RECOMMENDATION**

**Does the Board agree the following recommendations:**

- 1. The 2021 Annual Notice should again be issued in paper form, but with continued encouragement to use a digital return in preference**
- 2. Processing of returns should be contracted out, on the basis of a new contracting exercise, learning all the lessons from last year**
- 3. We should expand the number of phone calls to census non-returners, to encourage a better response rate.**

Date            2 June 2021

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**UPDATE FROM THE APPLICATION FORMS RE-DESIGN  
SHORT TERM WORKING GROUP - ORAL**



**REPORTS FROM HEADS OF TEAMS - ORAL**

- (a) *IS Team***
- (b) *RALU & Reg Support***
- (c) *Operations & Workforce***
- (d) *Grazings & Policy***
- (e) *Crofting Development***

## **'ROUND THE TABLE' – ORAL UPDATE**

**DATE OF NEXT MEETING – TUESDAY 10 AUGUST 2021 (TEAMS)**

**ANY URGENT BUSINESS – ORAL**

**EXCLUSION OF PRESS & PUBLIC**