



SCOTTISH LAND COMMISSION  
COIMISEAN FEARAINN NA H-ALBA

**Minutes of the meeting of the Scottish Land Commissioners held on Tuesday 31st October 2017 at Longman House, Inverness**

**Present:** Andrew Thin (Chair), Lorne MacLeod, Prof David Adams, Megan MacInnes (Land Commissioners), Dr Bob McIntosh (Tenant Farming Commissioner), Hamish Trench, Posy MacRae, Sara Smith, Claire Bremner, Caron Munro, Sarah Allen, Shona Glenn, Gillian Brown (Scottish Land Commission), Rachel Ross (guest)

**Apologies:** Dr Sally Reynolds

The Chair reminded all Commissioners to be aware that there could be a conflict of interest, where an employer (of a Commissioner) may be tendering for a contract. It was agreed by all that in this situation that Commissioners must ensure they do not take part in discussions about the tender and should direct enquiries to staff. David noted that his employer is likely to tender for a current contract and that he will take no part in this.

The Chair thanked all for their continuing efforts in what was a busy month, and encouraged all to ensure staff and Commissioners continue supporting and motivating each other.

**1. Minutes of meeting held on 26<sup>th</sup> September 2017**

The minutes of the meeting were agreed as a true and accurate record and all actions arising had all been completed or were underway.

It was advised that the Delegated Limits action was to be carried over to the next commissioners meeting in November. (**Action: Hamish and Andrew**)

The Chair raised that there is a large workload falling on to the Tenant Farming Commissioner (TFC) and wants all to bear this in mind. The action to ensure a rigorous TFC casework system is an on-going priority to ensure both effective data records and appropriate division of roles between staff and the TFC.

## 2. Quarterly Progress Report

### Delivery Progress

The Chair advised that he is happy with the delivery report, format and content. Hamish welcomed any feedback on the format of the report. Hamish explained that it is monitoring progress against the Programme of Work. Hamish provided an overview of the RAG rating system used in the report. Discussion focused on amber ratings:

Land Ownership - 2.1 – Amber due to need to establish baseline data and likely limitations of existing datasets. Commissioners emphasised the priority in this work is a qualitative understanding of impacts of scale and concentration. Shona advised that discussions regarding concentration data are on-going with Registers of Scotland.

Land Ownership – 2.2 –Hamish and Shona explained this is amber as further discussions are required with OSCR in order to identify the most appropriate approach. Commissioners discussed the breadth of charitable ownership and noted further work is required to consider the focus of this work in the short-term.

Land Ownership – 2.3 – Amber status was noted. Shona advised that a brief for the tax discussion paper has been prepared and she is now seeking to identify potential authors.

Agricultural Tenure – 4.2 – Amber status due to on-going work to define the process of investigating complaints. Andrew noted his concern about resilience and circumstances where TFC could be compromised and again Bob's workload.

Megan noted that feedback from Ullapool Meet and Greet was a real lack of land for housing in rural areas which may require different solutions from the work identified in workstream1 . **(Action: Shona to consider in implementation.)**

### Finance

Hamish highlighted the changes in the revised budget. The Scottish Land Commission has informed Scottish Government that the Commission total budget is now reduced to £1M for 17/18 due to the exceptional circumstances of this establishment year

Hamish advised that the biggest variances are in staff and research budgets, with the main reasons being not having the full staff team in place and research only taken forward since Programme of Work agreed in September 2017.

Hamish also advised that the budget for legal advice has been reduced to a more realistic figure based on spend to date.

Costs for the Interim HR manager are higher than budgeted as in the establishment year work has been required in setting up a full staff compliment but Hamish expects these costs to taper down over the remainder of the financial year. An alternative HR provider is expected to be in place for the start of April 2018 and Hamish anticipates the yearly costs to be substantially reduced through this arrangement.

Scottish Government authority is now required for all expenditure from now until the end of March 2018. Hamish has provided Scottish Government with committed spend and will shortly send details of the planned spend for approval.

Hamish informed the Commissioners that the spend to date is £246k, and that the remaining budget for the year is realistic. The Commissioners sought assurance that the revised budget is a realistic and responsible level of spend. They are comfortable that budget has been re-profiled as it would not be responsible to budget for more this year. Early indications from Scottish Government suggest the budget for next year will be similar to £1.4M, but this will be set out through the usual budget process.

### Risk

It was agreed at the Audit and Risk Committee (ARC) meeting that some new columns and risks should be added to the strategic risk register. The additional risks were agreed. It was suggested that the strategic risk register will be revisited at the end of Quarter 3, where a full annual risk discussion would be necessary in January or April 2018. **(Action: Hamish to schedule annual risk review)**

### Audit

Lorne provided an update from the ARC meeting. No concerns were reported with the current audit position. He advised that the main discussion was around the implication of limited assurance in relation to annual reporting and external audit.

The Commissioners were advised that the high priority risk for the Land Commission to action has now been completed as the Business Continuity Plan has now been finalised.

The ARC has signed off the whistleblowing procedure. Revised ARC Terms of Reference are to be approved by the Commissioners at the next meeting.

Hamish advised that, in regards to recommendation 8 of the audit report, notice has been given to Scottish Government HR to terminate the contract for the shared service agreement. Hamish and Scott are to review 3 proposals from alternative providers. Once the new HR arrangements are in place the Land Commission will no longer require an in-house HR contract.

### Communications

Posy explained that there has been steady growth in awareness on Social Media, with the twitter growth being both a spike surrounding the conference and trend.

A full evaluation of the Annual Conference is being prepared but general feedback has been positive.

There are 4 Meet and Greet events scheduled for November. Andrew is happy with how these are being run and the attendance at them. Andrew did request that Commissioners attend as many Meet and Greet events as possible, particularly in areas they are not from; this will increase awareness of other issues in different areas.

Megan advised that during the conference she found time was spent defending the fact environment is not included in our definition of productivity (**Action: Posy to consider how this is best addresses as part of wider key messages**).

It was discussed that the Land Commission will need to consider whether a conference will be held in 2018 and if so, when it will be.

### 3. Key Issues Arising

#### Land Value Tax

The expectation and interest in what the Land Commission work on this is growing rapidly. Hamish proposed our next steps should be –

1. Draw up an overview of what are the main strands of Land Value Tax approaches;
2. Similar to the current tender on Land Value Capture, to research what we can learn from Land Value Tax implementation elsewhere in the world;
3. To examine the practical and data constraints to land value tax approaches – including looking at valuation challenges and methods

Early work should aim to inform a wider discussion with Scottish Government, stakeholders and public about where more detailed work on land value tax options should most usefully focus.

#### Guidance and Leadership

The Chair asked the Commissioners to consider how to develop our non-regulatory leadership role including creating guidance and codes of practice.

Hamish advised that he and Andrew have met with Scottish Land and Estates to discuss how to work together regarding guidance. Discussion identified that a Best Practice approach would be best suited as it will be a big part of the Land Commission's work. David suggested identifying key indicators that would constitute best practice and enable scrutiny. The Commissioners agreed that was this was a good way to approach it but noted it may be resource heavy and possibly generate a need for another member of staff. All Commissioners are in agreement it is a major strand of work and likely to involve some sort of assessment/scrutiny. (**Action: Hamish to work up proposal on Best Practice programme for further consideration at December meeting**)

### 4. Any Other Business

At a number of meetings the Commission has been challenged on whether the review of agents is sufficiently evidence based. Commissioners agreed the review is robust and following an appropriate method, and noted a need to be able to articulate this clearly to those concerned. Hamish confirmed that an internal briefing for Commissioner's is being created and it was agreed a Q&A document will be added to the Land Commission website. The final report on the survey is due in

January 2018 and will be discussed by the Commissioners before it's published. Bob emphasised the survey is only the first part of the review and the further steps will involve discussion with representatives of agents and other stakeholders to consider the results and inform the TFC recommendations.

***(Action: Sarah, Bob and Hamish to agree a brief note for the website.)***

Andrew raised the wider national issues concerning bullying and harassment in the workplace and the need to have very clear policy and support on this. He stated that the Commissioners are bound by the code of conduct and the staff are governed by a harassment policy. The Chair asked Hamish to consider whether the policy should be extended to cover Commissioners. ***(Action: Hamish to consider the appropriate policy.)***

The Commissioners were advised that the Terms of Reference have been withdrawn from website pending revision as Standing Orders. ***(Action: Hamish to revise the Terms of Reference.)***

**Date of next Meeting: Tuesday 28th November 2017 in Scottish Canals office, Glasgow**

Scottish Land Commission  
October 2017