



SCOTTISH LAND COMMISSION  
COIMISEAN FEARAINN NA H-ALBA

**Minute of the meeting of the Scottish Land Commissioners held on Tuesday 5<sup>th</sup> November 2024 online.**

**Commissioners Present:** Michael Russell (Chair) Deb Roberts, Craig Mackenzie, Lorne MacLeod, Sally Reynolds (Land Commissioners), Bob McIntosh (Tenant Farming Commissioner)

**In Attendance:** Hamish Trench, Nikki Nagler, James MacKessack-Leitch, Scarlett Macfarlane, David Stewart, Andrew Megson (Scottish Land Commission); Sian Ledger, Orshi Keri (Scottish Government, observers)

**Apologies:** None

**Declarations of interest:** None

**Minutes of previous meeting 1 October 2024**

The minutes from the meeting held on 1 October 2024 were agreed as a true and accurate record with no matters arising.

**1. Report from Chair of Audit & Risk Committee**

Lorne presented his report from the recent meeting of the ARC held on 4<sup>th</sup> November. The board sought more information on the change in financial accounting software, seeking assurance about risks in the transition. Andrew confirmed the change will provide more automated and consistent reporting as well as simplifying the IT arrangements behind it. It will reduce staff time input and result in a small financial saving next financial year. He confirmed that external support is in hand to support the transition, ensuring back-up information. The Chair welcomed the intended ability to provide more detailed management accounts but asked that the board be kept informed of progress with the transition and that it be carefully risk managed.

**2. Commissioners Updates**

Commissioners provided updates on their key activities and events since the last meeting.

**3. Land Reform Bill Update**

The Chair and CEO provided an update following their meeting with the Cabinet Secretary on 10<sup>th</sup> October. Hamish and James outlined follow-up work underway with the Bill team, noting also that Stage 1 of the Parliamentary process is due to conclude on 28<sup>th</sup> March 2025.

#### **4. Rural Housing Land Proposal**

The board welcomed the key elements of the proposal but asked that it be reframed to set out more clearly the urgency, ambition and realism that is required. In particular the board asked that the proposal is developed further to include:

- More reference to the University of Glasgow report and the wider recommendations it made;
- More reference to the wider context including land reform, role of the private sector, and distinctive island challenges;
- Stronger reference to the overall need for the state to play a substantial role, including the provision of appropriate and necessary resources particularly for infrastructure and the expectation that public bodies have an obligation to deliver on rural housing in the public interest;
- Stronger acknowledgement that delivering this does require financial commitment.

The board also noted the opportunity to work with key partners such as Forestry and Land Scotland as well as Enterprise Companies ahead of publishing a final output in the new year.

<b>Action 05112401</b>	<b>David and Hamish to strengthen drafting and liaise with key partners ahead of publication.</b>
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#### **5. Quarterly Progress Report**

The Board welcomed delivery progress, noting the high level of planned delivery that is on track. The board asked whether there is opportunity to advise further on the Community Wealth Building Bill planned by Scottish Government. Hamish undertook to engage further with the Government team. The board also sought more information on the amber rating against the Crown Estate Scotland collaboration on community land ownership. Hamish explained that the business case is now with the CES investment committee for a decision on whether it proceeds so at this point further progress is dependent on that.

The board noted that budget management is on track, within a very tight financial context in which the Commission's annual budget this year is 97% committed. Given this context the board asked for monthly budget reports to be provided.

The board noted that risk 2 is increasing due to the tight financial constraints which reduce the ability to react quickly in switching resources if required.

Finally the board welcomed the continued good communications profile and Scarlett provided a look ahead to key publications and events coming up.

<b>Action 05112402</b>	<b>Financial reports to be provided to the board on a monthly basis</b>
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## 6. Annual Strategic Risk Review

The board reviewed the strategic risk register to consider any changes in our operating environment, internal or external, that are not sufficiently reflected in the current risk register, and any risks that can be removed. The board agreed:

- Risk 12 can be removed given that we are no longer in a transition to hybrid working but have established new patterns, noting this risk has been scored as low and decreasing consistently over the last year. However, there remain risks associated with the pattern of working, in particular to organisational flexibility and resilience. It is proposed that risk 11 also be reframed to ensure oversight of these remain.
- Risk 3 can be removed shortly once board recruitment is completed, noting this will not then be due again for a number of years.
- A new risk should be added that addresses the risks associated with the Land Reform Bill, given its significance and potential impact on the Commission.
- A new or amended risk should also address more directly the financial risk to the Commission associated with the public finance environment as well as the potential new functions.
- Risk 7 should be widened to reflect relationships with Parliament and others as well as government.
- The risk register should also help keep oversight of risks associated with the ongoing need to keep Good Practice Programme information up to date and evolving, given resource constraints and uncertainties in how it evolves alongside the bill.

The board asked the management team to review and redraft the risk register to address these considerations, for further review at the ARC meeting in February and the board meeting in March.

<b>Action 05112403</b>	<b>Proposed revisions to risk register to be considered at ARC in February and Board in March</b>
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## 7. Appointment of ARC Chair

With Lorne's appointment as a Commissioner coming to an end in December, the board thanked Lorne for his role chairing the Audit and Risk Committee over two periods. The board agreed to appoint Craig Mackenzie to chair the ARC, with effect from 18<sup>th</sup> December 2024.

## 8. AOB

None

***Date of next meeting:***

***3<sup>rd</sup> December 2024***

***An Lochran, Inverness***