Referendum (Scotland) Bill Committee

1st Report, 2012 (Session 4)

The Scotland Act 1998 (Modification of Schedule 5) Order 2013 [draft]

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Referendum (Scotland) Bill Committee

Remit and membership

Remit:

To consider matters relating to The Scotland Act 1998 (Modification of Schedule 5) Order 2013, the Referendum (Scotland) Bill, its implementation and any associated legislation.

Membership:

Bruce Crawford (Convener)
Annabelle Ewing
Linda Fabiani
Patricia Ferguson
Rob Gibson
Annabel Goldie
Patrick Harvie
James Kelly (Deputy Convener)
Stewart Maxwell
Stuart McMillan
Tavish Scott

Committee Clerking Team:

Clerk to the Committee
Andrew Mylne

Senior Assistant Clerk
Claire Menzies Smith
The Committee and its role

1. The Referendum (Scotland) Bill Committee was established by the Parliament on 23 October 2012 to scrutinise the legislation that will provide the basis for the referendum on Scottish independence, expected to be held in autumn 2014.

2. The Committee’s main task will be consideration of the Referendum (Scotland) Bill, which the Scottish Government expects to introduce in early 2013 and to be passed in October of that year (with Royal Assent in November).\(^1\) There will also be a separate “paving” Bill on aspects of voter registration, which the Scottish Government expects to introduce around the same time and which it hopes the Parliament will be able to pass before the summer recess 2013.\(^2\)

3. The Committee’s first task, however, is to consider the Scotland Act 1998 (Modification of Schedule 5) Order 2013 [draft] – also known as “the draft section 30 Order” – which is to provide the agreed legal framework for these two Bills. This draft Order was announced as part of the “Edinburgh Agreement” signed on 15 October 2012\(^3\), and was laid before the UK and Scottish Parliaments on 22 October.

The Edinburgh Agreement and its context

4. The Scottish National Party has long campaigned for Scottish independence, and was elected in 2007 on a platform of giving Scottish voters the opportunity to vote for independence in a referendum. However, due to the lack of a

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parliamentary majority in favour of a referendum, no referendum bill was introduced during Session 3.

5. When the SNP was re-elected in 2011 with an overall majority, and with other non-SNP members in favour of independence, it was quickly accepted by the other parties in Scotland and by the UK Government that the Scottish Government had a mandate to hold a referendum. The focus then shifted to how this was to be achieved – in particular, whether a Referendum Bill would be within the Scottish Parliament’s legislative competence. There has also been controversy about a range of key issues about the referendum, most notably when it should be held, whether there should be a second question on extending devolution, the role of the Electoral Commission, and whether the franchise should be extended to include 16 and 17-year-olds.

6. A process of negotiation between the Scottish Government and the UK Government resulted in the agreement signed in Edinburgh on 15 October. This commits the two governments to “work together to ensure that a referendum on Scottish independence can take place”, and that it should have “a clear legal base; be legislated for by the Scottish Parliament; be conducted so as to command the confidence of parliaments, governments and people; and deliver a fair test and a decisive expression of the views of people in Scotland and a result that everyone will respect”.

7. A key part of the agreement is the promotion of a section 30 Order to “put it beyond doubt that the Scottish Parliament can legislate for [the] referendum”.

8. Finally, the agreement makes clear that it is to be for the Scottish Government’s forthcoming Bill to specify “the date of the referendum, the franchise, the wording of the question, the rules on campaign financing and other rules for the conduct of the referendum”.

9. A memorandum attached to the agreement sets out in more detail the two governments’ agreed views on these and other matters, including the role of the Electoral Commission. The memorandum also commits the two governments to “continue to work together constructively in the light of the outcome [of the referendum], whatever that is, in the best interests of the people of Scotland and of the rest of the United Kingdom”.

The draft Order

Procedure and timescale

10. The draft Order is a UK statutory instrument (or SI). It is to be made as an Order in Council – that is, an Order made by the Queen in the Privy Council – under section 30 of the Scotland Act 1998. That section provides for modification

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4 Agreement between the United Kingdom Government and the Scottish Government on a referendum on independence for Scotland, second paragraph.
5 Agreement between the United Kingdom Government and the Scottish Government on a referendum on independence for Scotland, third paragraph.
6 Agreement between the United Kingdom Government and the Scottish Government on a referendum on independence for Scotland, fourth paragraph.
7 Memorandum of Agreement, paragraph 30.
of either Schedule 4 or Schedule 5 to the 1998 Act as a mechanism to adjust the boundaries of the Parliament’s devolved legislative competence over time.

11. A section 30 Order can only be made if it has first been laid in draft before, and approved by resolution of, both Houses of the UK Parliament and of the Scottish Parliament.\(^8\) Like all statutory instruments, it can only be approved or rejected, and cannot be amended.

12. There is no statutory time limit for the approval of the draft Order, either by the UK Parliament or the Scottish Parliament. However, this Committee (as lead committee on the instrument) is required under standing orders (Rule 10.6.4) to report on the draft Order no later than 40 days after it is laid – that is, by 30 November 2012. In doing so, it must take into account any recommendations made by the Subordinate Legislation Committee, which considered the draft Order on 6 November 2012 and had no points to raise.\(^9\)

13. Subject to its approval by both Parliaments, the Order is expected to be made at a meeting of the Privy Council scheduled for early February 2013. The draft Order provides for it to come into force on the day after it is made.

Purpose of the draft Order

14. The main purpose of the draft Order is to extend the Parliament’s legislative competence to enable it to pass legislation providing for a referendum on independence. It does this by making a time-limited exception to the reservation of relevant aspects of the constitution.

15. The existing reservation – which includes the Union of the Kingdoms of Scotland and England, and the Parliament of the United Kingdom – is set out in paragraph 1 of Part 1 of Schedule 5 to the 1998 Act. Article 3 of the draft Order adds a further paragraph (5A) making clear that a referendum on the independence of Scotland from the rest of the United Kingdom is not reserved, subject to three conditions. These are that the referendum must not be held on the same day as any other referendum legislated for by the Scottish Parliament; must be held no later than 31 December 2014; and must involve a single ballot paper which offers the voter a choice between only two responses.

16. The draft Order also includes limited provision about how the referendum is to be conducted. Referendums legislated for by the UK Parliament are subject to the rules set out in Part 7 of the Political Parties, Elections and Referendums Act 2000 (PPERA), and article 4 of the draft Order applies two provisions of that Part to the independence referendum. (All the remaining rules about the referendum will be set out in the Scottish Government’s forthcoming Referendum Bill.)

17. The two provisions in question are:

- section 127 – which prohibits broadcasters (such as the BBC) from showing any referendum campaign broadcast other than those made on

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\(^8\) This is “Type A” procedure under paragraph 2 of Schedule 7 to the 1998 Act.

behalf of the officially designated campaign organisations (which, in this case, will be designated under the Referendum Bill); and

- paragraph 1 of Schedule 12 – which allows each designated campaign organisation to send a postal communication to each address or voter in Scotland, without paying the cost of postage (which will instead be paid, in this case, by the Scottish Government).

18. Further provision in the draft Order limits the application of section 127 of PPERA to the independence referendum, either to enable the rules to be included in the Scottish Government’s own Bill or to adapt the rules to Scottish circumstances. Specifically, article 4(3) of the draft Order disapplies the provisions of PPERA that require:

- the notional cost of any property, services or facilities provided to campaign organisations either free or at a discount to be treated as contributing to their referendum campaign expenses;

- certain expenses that campaign organisations may incur in connection with campaign broadcasts to qualify as referendum expenses;

- referendum campaign broadcasts to be shown by Welsh broadcasters such as S4C.

**Evidence received**

19. The Committee took oral evidence at its meetings on 8 and 15 November from:

- Professor Aileen McHarg, Professor of Public Law, University of Strathclyde;

- Alan Trench, Honorary Senior Research Fellow, Constitution Unit, University College London and Honorary Fellow in the School of Social and Public Science, University of Edinburgh;

- Rt Hon Michael Moore MP, Secretary of State for Scotland;

- Dr Nicola McEwen, School of Social and Political Science, University of Edinburgh;

- Navraj Singh Ghaleigh, Lecturer in Public Law, Edinburgh Law School;

- Nicola Sturgeon, Deputy First Minister (Government strategy and the Constitution).

20. The Committee also received written evidence on the draft Order from:

- the BBC Trust Unit;

- the Electoral Reform Society Scotland;
21. The Committee is grateful to all those who gave evidence.

**Views of witnesses**

**General significance of the Edinburgh Agreement**

22. There was broad consensus among oral witnesses about the significance of the agreement – which the Secretary of State described as “historic”.¹⁰ For the Deputy First Minister it was “a watershed moment in Scotland’s home-rule journey”.¹¹

23. Professor McHarg took the view that the agreement itself had no legal standing. Her only slight doubt was the argument that it created legitimate expectations that could be legally enforceable, but she could not foresee a situation in which this would happen.¹² Alan Trench was a bit less certain, saying that an issue could arise if the Parliament passed legislation that was “materially at variance” with the agreement.¹³ For the Secretary of State, the important point was that it was an agreement between the two governments which both were committed to respecting.¹⁴ The Deputy First Minister agreed, saying the Scottish Government was “honour-bound politically and morally by the Edinburgh agreement which makes it clear that, where appropriate, the rules and certainly the spirit of PPERA will govern the referendum”.¹⁵

24. Asked to comment on the final sentence of the memorandum annexed to the agreement, witnesses recognised its importance in committing both governments

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to continued cooperation, whatever the outcome of the referendum.\(^\text{16}\) For Alan Trench it was “potentially the most important provision in the agreement”\(^\text{17}\), particularly for the large number of Scots who would end up on the losing side. Dr McEwen and Mr Ghaleigh thought it less important, but were glad that it was there as a statement or principle of “good faith”.\(^\text{18}\)

25. The Secretary of State said that, while this paragraph would not magically remove “all the awkward consequences” of a yes vote, it did commit the two governments to “work together cooperatively and constructively” to resolve them.\(^\text{19}\) The Deputy First Minister said it was a recognition “on both sides that we will respect the outcome of the referendum and … work together constructively to implement the decision”.\(^\text{20}\)

**Significance and effectiveness of the draft Order**

26. In relation to the draft Order, witnesses agreed that its purpose was to ensure the Parliament has the legislative competence to pass a referendum bill – and it was generally accepted that it did this successfully and was fit to be passed.\(^\text{21}\)

27. There was some disagreement as to whether such a bill could have been successfully challenged in the absence of the Order – whether, in other words, the Order confers a power that the Parliament currently lacks, or merely confirms an existing power. Alan Trench inclined to the former view, while Professor McHarg to the latter, but she accepted that once a section 30 Order has been made, it becomes harder to argue that a referendum could be held without one.\(^\text{22}\)

28. For the Deputy First Minister, the importance of the Order was that it put the legality of the referendum “beyond effective legal challenge” using a “perfectly legitimate, tried and tested, robust process”.\(^\text{23}\) Professor McHarg, similarly, felt that while a challenge could be mounted, it “would not stand a chance”. Alan Trench agreed, saying that the courts would be “rightly reluctant” to challenge an instrument approved by both the UK and Scottish Parliaments.\(^\text{24}\)

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\(^{16}\) Memorandum of Agreement, paragraph 30. The sentence reads: “The two governments are committed to continue to work together constructively in the light of the outcome, whatever it is, in the best interests of the people of Scotland and of the rest of the United Kingdom.”


Conditions imposed by the Order

29. There was some discussion of the conditions imposed by article 3 of the draft Order, and their implications for the forthcoming Referendum Bill. Although that article does not directly refer to the need for a single question, witnesses agreed that the effect was to require a binary choice on the issue of independence, and that a third or middle option had been excluded – although it was perhaps less clear that one of the options offered had to be a straight “no”.25

30. The rejection of a third option offering voters an enhanced form of devolution was regretted by the Electoral Reform Society (ERS) Scotland and by James Gilmour. ERS Scotland said it was a “far from perfect start to the referendum process” that a deal reached “behind closed doors” had denied voters an option that was widely supported by polling evidence.26 Mr Gilmour argued that large numbers of voters would be “denied the opportunity to indicate their support for the constitutional option they really want”.27

31. However, the Secretary of State said that it was a “fundamental point that these two things [independence and enhanced devolution] cannot be mixed up on the ballot paper”.28 The Deputy First Minister, while regretting that the Scottish Parliament would not have the choice of including a second question, confirmed that this had been a “red line” issue for the UK Government in the negotiations. It was a concession she had been prepared to make as part of the wider package, and she was “perfectly happy with a yes or no question”.29

32. Both the Secretary of State and the Deputy First Minister emphasised that the agreement and the section 30 Order still left most of the referendum details to be settled by Scottish Parliament legislation – reflecting the agreed position that the referendum should be seen to be “made in Scotland”.30

Role of the Electoral Commission

33. In that context, many witnesses laid great emphasis on the importance of the role the Electoral Commission would play in ensuring the fairness of the referendum process, particularly through its role in assessing the intelligibility of the question.

34. As Alan Trench pointed out, since the Electoral Commission was not mentioned in the section 30 Order itself, it would in principle be possible for the Parliament to pass a Bill that gave the Commission a more limited role than that envisaged in the agreement. However, such an approach would, he argued, carry significant legal and constitutional risks, and also political risks, as it would jeopardise the perception of fairness that was so important to securing respect in

25 Scottish Parliament, Referendum (Scotland) Bill Committee, Official Report, 8 November 2012, cols 33-34 and 47; 15 November 2012, cols 81-82.
26 Electoral Reform Society Scotland, written submission, 9 November 2012, paragraphs 2 and 3.
27 James Gilmour, written submission, 8 November 2012, fourth paragraph.
29 Scottish Parliament, Referendum (Scotland) Bill Committee, Official Report, 15 November 2012, cols 81-82.
the outcome.\textsuperscript{31} Professor McHarg agreed on the importance of having “an independent guarantor of the fairness of the process” and that the Electoral Commission was well placed to fulfil that role.\textsuperscript{32}

35. Dr McEwen said she did not envy the Commission its task since it was, unusually, being asked to assess a question before the full detail of what was proposed was available. Ideally, the Scottish Government’s white paper would be available first, and the question would link to a preamble on the ballot paper setting out the model of independence being proposed. However, she recognised that the realities of the situation did not allow that to happen.\textsuperscript{33} Mr Ghaleigh agreed that it was “odd” that the Commission was being asked to assess a question on independence before the Scottish Government had provided its definition of what that means.\textsuperscript{34}

36. However, the Deputy First Minister defended the Scottish Government’s timetable, saying that it continued to work to a timetable involving publication of a white paper in the autumn of 2013, and that the important thing was to obtain the Commission’s view on the question before the Bill was introduced.\textsuperscript{35}

37. Mr Ghaleigh also pointed out an apparent difference of interpretation of “intelligible” in the context of a referendum question, with the Commission applying a relatively broad definition (“clear, simple and neutral”) and the Scottish Government applying a narrower “dictionary definition” (“easy to understand, to the point and unambiguous”). He felt that the Scottish Government would be “within its rights” to say that the Commission was not entitled to pass judgement on the question’s neutrality – although adopting such an approach could undermine public support for the outcome.\textsuperscript{36}

38. All witnesses accepted that the Electoral Commission was, rightly, an advisory body rather than a decision-maker, but that its credibility and independence meant that its advice needed to be taken very seriously. As Alan Trench put it, “If we got to the point where the Parliament did not follow the [Commission’s] advice, that would raise serious problems for the referendum’s conduct and for respect for the outcome”.\textsuperscript{37}

39. The Secretary of State took a similar view, saying “The commission has great moral authority and established credibility. For that reason, I think it would be extraordinary if serious recommendations made by the commission were

disregarded.” His expectation was that the Parliament would scrutinise the Referendum Bill properly and would “support the role and the independence of the Electoral Commission and follow its advice”.38

40. The Deputy First Minister was clear that “the role of the Government is to propose, the role of the Commission is to advise and the role of the Parliament is to decide”. However, she added that:

“Any Government anywhere in the UK would not depart from Electoral Commission advice unless there was a very strong reason for doing so, and any Government that did so would have to justify itself before the Parliament. That is not a position that I want or expect to be in, but nor will I … give away the proper roles of Government and the Parliament in the process”.39

Campaign broadcasts and mailshots
41. The Secretary of State explained that article 4 of the draft Order replicated for the independence referendum a power (under PPERA) to allow campaign broadcasts by designated campaign organisations. He emphasised that broadcasting neutrality and impartiality would be the responsibility of the broadcasters themselves and of Ofcom, and that “they should exercise their judgement in the same way that they would for any other electoral contest anywhere in the UK”.40

42. Written evidence from the BBC Trust Unit explained the procedures within the BBC for establishing and then applying appropriate editorial guidelines.41

43. Some doubt was expressed by Iain Jamieson about the appropriateness of the article 4 provisions in the context of a section 30 Order. In his view, the fact that this article makes direct provision about broadcasts and mailshots rather than empowering the Parliament to do so could be seen as a “highly unusual exercise” of the enabling powers in the Scotland Act. He also questioned whether the article 4 provisions fully achieved their stated purpose and whether one part of the article was necessary.42

Other points raised
44. The Scottish Council of Jewish Communities pointed out that holding the referendum on a Saturday (an option suggested by the Scottish Government) would disadvantage Jewish voters, and those from other faiths, for whom Saturday is the Sabbath or day of rest.43

45. The Scottish Council on Deafness wanted the section 30 Order to guarantee that all referendum information, and the referendum itself, would be “fully

38 Scottish Parliament, Referendum (Scotland) Bill Committee, Official Report, 8 November 2012, cols 44 and 45.
41 BBC Trust Unit, written submission, 9 November 2012.
42 Iain Jamieson, written submission, 8 November 2012.
43 Scottish Council of Jewish Communities, written submission.
accessible to all deaf citizens, and all citizens with a communication support need” – including through the provision of information in British Sign Language, Braille and other accessible formats.\textsuperscript{44}

46. Nigel Smith (former chair of the 1997 Yes campaign) expressed concern that the proposed campaign spending limits for the referendum were too low, partly because the figures set out in PPERA would have been halved in real terms by 2014 and partly because the Scottish Government planned to reduce them further in a Scottish context – to a level that, in his view, “threatens the ability of the campaigns to adequately inform the voters”.\textsuperscript{45} However, the Electoral Reform Society Scotland broadly shared the Scottish Government’s reasons for proposing lower amounts than would apply under PPERA.\textsuperscript{46}

47. The National Union of Students (NUS) Scotland strongly supported extending the franchise in the referendum to all 16 and 17-year olds, and called on the Scottish Government to “quickly overcome any hurdles ... so that young people will have the information and resources they need to make an informed decision about Scotland’s future”.\textsuperscript{47}

Committee conclusions

48. At the Committee’s meeting on 15 November, the Deputy First Minister (Nicola Sturgeon) moved motion S4M-04790, inviting the Committee to recommend approval of the draft Order.

49. During the debate, members of the Committee from all parties welcomed both the draft Order and the wider agreement. James Kelly, for Labour, emphasised the importance of the Order in providing “clarity on the legality of the referendum”. Annabel Goldie, for the Conservatives, commended the Order as “a constructive conclusion to a process of negotiation … that I think has been carried out in a mature and sensible way”, and emphasised the need to “ensure that the spirit of the agreement is manifest in subsequent activity and discussions”. Willie Rennie, for the Liberal Democrats, said the agreement was “a big step forward” that “allows the consent of everybody about the process to be secured”. Patrick Harvie reiterated his regret that a second question was ruled out, but said he was nevertheless glad the Order had been brought forward. Linda Fabiani, for the SNP, said she regarded the Order as historic, and the agreement as important for establishing a principle of mutual respect.\textsuperscript{48}

50. At the end of the debate, the motion was agreed to unanimously by the members present.

\textsuperscript{44}Scottish Council on Deafness, written submission, 7 November 2012.
\textsuperscript{45}Nigel Smith, written submission, 9 November 2012, fourth paragraph.
\textsuperscript{46}Electoral Reform Society Scotland, written submission, 9 November 2012, paragraph 15. The Scottish Government’s position is set out in Your Scotland, Your Referendum (Consultation, January 2012), paragraphs 3.9 – 3.12.
\textsuperscript{47}NUS Scotland, written submission, 9 November 2012.
\textsuperscript{48}Scottish Parliament, Referendum (Scotland) Bill Committee, Official Report, 15 November 2012, cols 87-89.
51. Accordingly, the Committee has no hesitation in recommending to the Parliament that The Scotland Act 1998 (Modification of Schedule 5) Order 2013 [draft] be approved.
ANNEXE A: EXTRACTS FROM THE MINUTES

2nd Meeting, 2012 (Session 4), Thursday 1 November 2012

Work programme: The Committee agreed a draft timetable for the remainder of its scrutiny of the Scotland Act 1998 (Modification of Schedule 5) Order 2013 [draft].

Work programme (in private): The Committee considered whom further to invite to give oral evidence on the Scotland Act 1998 (Modification of Schedule 5) Order 2013 [draft] and agreed to invite Professor Aileen McHarg, Professor of Public Law, University of Strathclyde; Professor Neil Walker, Regius Professor of Public Law, University of Edinburgh; Alan Trench, The Constitution Unit, University College London and School of Social and Political Science, University of Edinburgh; and Dr Nicola McEwen, School of Social and Political Science, University of Edinburgh.

3rd Meeting, 2012 (Session 4), Thursday 8 November 2012


Professor Aileen McHarg, Professor of Public Law, University of Strathclyde;

Alan Trench, Honorary Senior Research Fellow, Constitution Unit, University College London and, Honorary Fellow in the School of Social and Public Science, University of Edinburgh;

Rt Hon Michael Moore MP, Secretary of State for Scotland.

4th Meeting, 2012 (Session 4), Thursday 15 November 2012


Dr Nicola McEwen, School of Social and Political Science, University of Edinburgh;

Navraj Singh Ghaleigh, Lecturer in Public Law, University of Edinburgh;

Nicola Sturgeon, Deputy First Minister (Government strategy and the Constitution).

Subordinate legislation: Nicola Sturgeon (Deputy First Minister, Government strategy and the Constitution) moved—
S4M-04790—That the Referendum (Scotland) Bill Committee recommends that the Scotland Act 1998 (Modification of Schedule 5) Order 2013 [draft] be approved.

After debate, the motion was agreed to.

5th Meeting, 2012 (Session 4), Thursday 22 November 2012

Subordinate legislation (in private): The Committee considered a draft report on the Scotland Act 1998 (Modification of Schedule 5) Order 2013 [draft]. Subject to minor changes, the report was agreed for publication.
ANNEXE B: ORAL AND WRITTEN EVIDENCE

Please note that all oral evidence and associated written evidence is published electronically only, and can be accessed via the Referendum (Scotland) Bill Committee’s webpages, at:
http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/55798.aspx

3rd Meeting, 2012 (Session 4), Thursday 8 November 2012

Written Evidence
Memorandum by Alan Trench

Oral Evidence
Professor Aileen McHarg, Professor of Public Law, University of Strathclyde;
Alan Trench, Honorary Senior Research Fellow, Constitution Unit, University College London and, Honorary Fellow in the School of Social and Public Science, University of Edinburgh;
Rt Hon Michael Moore MP, Secretary of State for Scotland

4th Meeting, 2012 (Session 4), Thursday 15 November 2012

Written Evidence
Memorandum by Dr Nicola McEwen
Memorandum by Navraj Singh Ghaleigh

Oral Evidence
Dr Nicola McEwen, School of Social and Political Science, University of Edinburgh;
Navraj Singh Ghaleigh, Lecturer in Public Law, University of Edinburgh;
Nicola Sturgeon, Deputy First Minister (Government strategy and the Constitution).

Other written evidence
BBC Trust Unit
Electoral Reform Society Scotland
James Gilmour
Iain Jamieson
Law Society of Scotland
National Union of Students Scotland (NUS Scotland)
Scottish Council of Jewish Communities
Scottish Council on Deafness
Nigel Smith

The submissions are all available from the following page:
http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/56526.aspx
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