From COSLA DES Spokesperson Cllr Stephen Hagan

20 February 2015

Bruce Crawford MSP
Chair of Devolution (Further Powers) Committee

Crown Estate

Dear Bruce

— COSLA noted with interest the recent request from the Further Powers Committee for evidence regarding the Crown Estate and its devolution via the Smith Commission process of the revenues and responsibilities of the Crown Estate to local communities.

COSLA’s submission to the Smith Commission, promoted three over-riding arguments:

• The process of governance of Scotland is an integrated system between Parliament, Government, Local Government, and agencies and changes to one part of the system therefore need to be considered and implemented with equal consideration of how changes might affect all the other parts.

• A great success of the Referendum campaigns was the extent to which a fundamentally greater level of democratic engagement was achieved. The devolution of further powers to Scotland needs to consider the democratic issues at both a national and local level, and how those powers can be used to best effect locally.

• One of the key drivers of the Smith Commission is the extent to which new arrangements in Scotland can give rise to better outcomes for local people and local communities. Given that no matter where constitutional responsibility lies outcomes and inequalities can and are only ever delivered at a local level, new powers will not deliver fully for communities without addressing how power is used at the local level.

Specifically, COSLA also identified a number of specific policy areas where positive change could be achieved, including the devolution of the Crown Estate and greater devolution of decision-making around large-scale consenting for a number of sectors: planning, marine and energy. Local Government’s view was that doing so would deliver economic benefits and improve social capital by involving communities in decisions that directly affect their local ‘place’.

As you will be aware, the Smith Commission Heads of Agreement outline that responsibility for the management of the Crown Estate’s economic assets in Scotland and the revenue generated from these assets should be transferred to the Scottish Parliament and, following
this transfer, responsibility for the management of those assets will be further devolved to local authority areas.

This proposal builds on COSLA’s long standing case for greater devolution of Crown Estate and also Marine planning responsibilities to coastal authorities and communities. Indeed, these issues featured strongly in the COSLA Development, Economy and Sustainability Executive Group’s submission to the recent Commission on Strengthening Local Democracy.

The Executive Group’s discussion on the issues raised by the Commission for Strengthening Local Democracy over the course of 2013 was guided by the 4 key principles outlined in the “Local Government Vision” developed and subsequently agreed by Convention:

- **Empowering local democracy**: doing more locally and doing things differently and making sure local democracy is part of the checks and balances of effective democracy.
- **Integration not Centralisation**: Bringing power closer to local people, not centralising it. And preventing problems – not spending on the results of failure.
- **Outcomes not inputs**: flexibility to focus on what makes the biggest difference locally i.e. leading on reducing inequality, improving fairness, supporting vulnerable people and driving social cohesion.
- **Local Choice and accountability**: protecting local democratic decision making and making sure that local services and spending are decided upon locally.

COSLA has previously supported the three island authorities operating under the aegis of ‘Our Islands Our Future’ who have agreed the following objectives:

- Control of the sea bed around the islands, allowing revenues currently paid to the Crown Estate to be channeled into local needs.
- New grid connections to the Scottish mainland to allow world class wave, tidal and wind energy resources to generate maximum benefits for the islands.
- New fiscal arrangements to allow the islands to benefit more directly from the harvesting of local resources, including renewable energy and fisheries.

We know that, like COSLA, the Scottish Government has been pressing for several years for the devolution of the Crown Estate. Our positions have much in common, but it is important that with the Smith Commission recommendations now being actively developed, we ensure that this happens in ways that maximise the benefits that local communities can achieve. For that reason, we are clear that it is insufficient for the Crown Estate to be devolved to the Scottish Parliament. Rather, we need to ensure that the Smith Commission’s recommendations are acted on in full by ensuring that Crown Estate operations and associated revenues are fully devolved to Local Government. I recognise that at present, post the Smith Commission, no detailed political discussion has begun on the mechanics of such a position, although I have this month had a productive meeting with the Deputy First Minister and Minister for The Islands regarding the Crown Estate.
I hope that your Committee might accept my offer to give oral evidence if this was helpful to the Committee in their scrutiny of the emerging proposals for devolution of the Crown Estate.

Kind Regards

Cllr Stephen Hagan
COSLA Spokesperson for Development, Economy and Sustainability