Dear Graeme

Thank you for your letter of 28 June following up my evidence session with the Committee on 27 June. My responses to the questions are set out in the attached annex.

I hope that the information is helpful and I look forward to continuing to work with the Committee over the coming year.

ROSEANNA CUNNINGHAM
Climate Change – General

I note the Committee’s intention to be in contact regarding Parliamentary engagement in the development and on-going scrutiny of the results of the monitoring and reporting framework, and to provide views on the period for Parliamentary consideration of draft Climate Change Plans.

I have asked my officials to write to all four of the Committees involved in the recent scrutiny of the draft Climate Change Plan to invite views on the period for consideration of draft Climate Change Plans in the future. We are also seeking the views of other stakeholders on this question through the public consultation on the proposals for a new Climate Change Bill.

Climate Change Plan

The implications of the anticipated 12 month gap between publication of the draft plan and publication of the final plan, and the reasons for this?

The Climate Change Plan is an important document which we have to get right. To finalise the Plan we need to take account of a number of issues. My officials will be undertaking further runs of the TIMES model to incorporate the most up to date information, for example taking account of the 2015 Greenhouse Gas Emissions statistics.

As recommended by the Committee in its report on the draft Climate Change Plan, we are engaging further with stakeholders including the Committee for Climate Change and the new Climate Change Plan Advisory Group. I also want to ensure that we give due consideration to the relevant draft Energy Strategy consultation responses.

We are taking time to consider all the recommendations from Parliament and I would once again like to thank the Committee for its thorough and constructive report. I will provide responses to the Committee’s recommendations when I publish the final Climate Change Plan in early 2018.

The Committee would like further detail on the role of the [Climate Change Plan] advisory group, including whether its remit will extend to consideration of abatement envelopes and the policy measures?

The Climate Change Plan Advisory Group will be helping us with cross-cutting issues (e.g. behaviour change), wider stakeholder engagement and the design and presentation of the final Plan and associated documents. The group’s membership is consistent with these aims and I do not consider that it would be appropriate for the group to consider the carbon envelopes or policies and proposals in detail. Minutes of the Group’s meetings will be published online.

How and when will the TIMES Model be made accessible to academics and others?

We are currently developing the TIMES model to incorporate updated sector assumptions, as well as the 2015 Greenhouse Gas Emissions statistics published in June, and to reflect our latest policies and proposals. We will consider the Parliamentary recommendations – including those on making the TIMES model available to stakeholders - as part of the on-going model development to support the final Plan.
Climate Change Bill

When the consultation on the draft Climate Change Bill will be published?

The public consultation on proposals for the Climate Change Bill was published on 30 June, and will remain open until 22 September.

When does the Scottish Government anticipate that a draft Climate Change Bill may be laid in the Scottish Parliament?

The 2017-18 Programme for Government will be announced in due course.

How confident are you that an 18% reduction in Scotland’s emissions between 2015 and 2020 can be achieved, and does the delay in publishing a final Climate Plan until early 2018 provide the lead-in time necessary for policy or investment decisions to take effect?

I am confident that the package of policies and proposals set out in the Plan puts us on a path to achieving both our short and long term targets. I do not agree that there is a delay in publishing the final Climate Change Plan. As I have outlined above, we are taking time to deliver a balanced plan that is both ambitious and achievable.

As I outlined to Parliament in June, we want to ensure that the final plan maintains ambition in meeting challenging goals; sets us apart as an innovator and global leader on climate issues; and is supported and owned by the people of Scotland. Taking the time to achieve this does not directly impact on progress towards our ambitious emissions reduction targets as we have continued – and will continue – to work hard to take actions to reduce emissions while considering feedback from stakeholders.

Whether the scope of the Bill is likely to go beyond setting a revised emissions target?

Our proposals are for a Bill that is focussed on updating Scotland’s framework of statutory emissions reduction targets, including raising the ambition of Scotland’s 2050 target to at least a 90% reduction in emissions from baseline levels, resetting the 2020 interim target, and setting ambitious interim targets for 2030 and 2040. The proposals also make provision for a net-zero greenhouse gas emissions target to be set as soon as a credible and costed pathway can be demonstrated.

We are also consulting on a number of technical amendments which have been designed to improve the transparency of the targets. These include basing all targets on actual emissions, setting all targets (including annual targets) on the basis of percentage reductions from the baseline, and setting annual targets mechanistically so they remain aligned with the interim targets. Detailed proposals and policies for delivering against the statutory targets will continue to be set out in climate change plans. The consultation paper invites views on the frequency of future climate change plans, the length of time they should cover, how development of plans could be aligned with Paris Agreement processes, and the length of time for Parliamentary consideration of draft plans.
Climate Change - Public Sector

How the Scottish Leaders Forum have taken work forward on climate change leadership in the public sector since the disbanding of the Public Sector Climate Leaders Forum?

Officials are working with the Scottish Leaders Forum, through the Scottish Government Ingage team, to look at opportunities for inspiring and supporting climate leadership across the public sector. However, as the examples below show, there is already considerable leadership across the sector:

- **The University of Edinburgh** has a bold vision to be carbon neutral by 2040, including ambitious targets and concrete goals. It will be expanding its fleet of electric and hybrid vehicles and establishing an expert group to review further investments in renewable technologies.

- **Aberdeenshire Council** has approved a Carbon Budget approach which will further embed climate change action throughout all services by placing responsibility for emission reductions on all service directors. Aberdeenshire Council also has a 44% emissions reduction target for 2025, based on a 2010/11 baseline.

- In **Glasgow**, there has been an **86% increase** in cycle trips into and out of the city since 2009 supported with investment of £15 million since 2008 on cycling infrastructure in the city. A key focus of Glasgow’s 2010 Strategic Plan for Cycling was to provide and grow a bike share scheme. This has been in operation since the 2014 Commonwealth Games by Nextbike.

Further examples of public body leadership are reported in the Sustainable Scotland Network’s (SSN) fortnightly newsletter and can be found on the SSN website: [http://www.keepscotlandbeautiful.org/ssn](http://www.keepscotlandbeautiful.org/ssn).

How is the Scottish Government supporting climate change leadership across the public sector?

All public bodies in Scotland have a leadership role in tackling climate change and adapting to the impacts of climate change. Every public sector organisation is being supported: the Sustainable Scotland Network act as a central gateway, providing support, resources, facilitating collaborative working and links to other organisations offering support. Mandatory Climate Change Reporting also raises the profile of climate change amongst public sector leaders, showcases action and informs improvement.

**Land Reform**

Whether you will consult with the Land Commission when finalising the land rights and responsibilities statement, and when it will be published?

The Scottish Land Commission has contributed to the development of the Land Rights and Responsibility Statement and we will be consulting further with the Commission as we finalise the Statement. It will be published on or by 1 October 2017.

How do the Part 3 sections 13 – 20 of the Forestry and Land Management (Scotland) Bill tie in with the land reform and the community empowerment agenda?

The Forestry and Land Management (Scotland) Bill delivers the Scottish Government’s commitment to complete the devolution of forestry, making forestry fully accountable to the
Scottish Ministers and the Scottish Parliament. The Bill also provides flexibility to manage forestry so it can contribute to a wide range of social, economic and environmental outcomes.

Part 3 of the Bill deals with management of land by the Scottish Ministers. Sections 13 to 20 contain provisions under a number of sub-headings, including management of land to further sustainable development, power to enter into arrangements, acquisition and disposal of land and delegation to community bodies. The purpose of the provisions, taken with those in sections 9-12 which deal with ‘forestry land’ (land primarily used for forestry), is to provide the Scottish Ministers with an integrated set of powers to manage forestry and non-forestry land for specific purposes, to buy and sell land, to delegate their land management functions to community bodies, and to manage land on behalf of other people by agreement.

Part 3 of the Bill is based on the land management powers currently held by the Forestry Commissioners to manage the National Forest Estate (NFE) in Scotland. The NFE is owned by the Scottish Ministers, it comprises 640,000ha (8.2% of Scotland’s land mass) and approximately two-thirds is afforested with one-third open ground. As the Bill will transfer responsibility for management of the NFE from the Forestry Commissioners to the Scottish Ministers, it follows that Ministers should have appropriate powers to fulfil that role. The proposed powers in the Bill for the Scottish Ministers to manage their forest estate largely follow those in the Forestry Act 1967 (as amended). In addition, the Bill creates greater flexibility in the use of the NFE by not requiring all activity to be tree-related (as currently required under the Forestry Act 1967). This flexibility is intended to provide the potential to deliver more economic, environmental and social objectives on the open ground as well as on the afforested land. The Bill proposes that such activity must still have regard to the Scottish Forestry Strategy.

The Bill also delivers the policy intention of enabling a wider land management role in relation to other public land that is not necessarily forestry land. This relates to a manifesto commitment to create a land agency for Scotland to help manage Scotland’s publicly owned land in the national interest in order to maximise the benefits of that land to the nation. The Scottish Government’s intention is to deliver this capability using the existing land management expertise in Forest Enterprise Scotland (FES) when it becomes the new executive agency of the Scottish Ministers, Forestry and Land Scotland (FLS). This agency will be able to manage land, whether forestry or non-forestry, on behalf of others by agreement.

The provisions on land management in the Bill are not about land ownership and they are drafted to complement and not cut across the land reform and community empowerment agendas. For example, the ability to delegate forestry land management functions to community bodies is already in law via the Forestry Act 1967 and is being carried forward into the new statutory framework in recognition of its place in contributing to the community empowerment agenda.

What issues do you see these provisions are required to address that are not adequately addressed by existing legislation?

The land management provisions in Part 3 are based on the powers under the Forestry Act 1967 currently held by the Forestry Commissioners. The Forestry Act 1967, in so far as it applies to Scotland, will be repealed by the Bill and the powers available to Forestry Commissioners will be conferred on the Scottish Ministers.
Section 13 of the Bill will enable the Scottish Ministers to perform a role in managing land that is not necessarily afforested (as discussed above). This power is new and enables the skills and experience of a dedicated land management body (FES in its new guise as FLS) to be used more broadly in support of multiple outcomes.

Under the Forestry Act 1967, FES already manage land, by agreement, belonging to other people, including public bodies such as Scottish Natural Heritage and Scottish Water. Section 14 enables these arrangements to continue under the new statutory framework and apply to land that is both forestry and non-forestry. There is no compulsion within the provision – arrangements will be made by agreement between the parties involved. As noted above, this section underpins delivery of the manifesto commitment to create a land agency for Scotland to help manage Scotland’s publicly owned land in the national interest.

Sections 15 to 17 are powers of acquisition and disposal based on the powers currently held by the Forestry Commissioners and which will enable the Scottish Ministers to configure their land holdings in the way best able to meet desired outcomes. The powers are widened beyond forestry to reflect the broader land management role proposed for the Scottish Ministers.

Sections 18 to 20 are powers associated with delegation of land management functions to community bodies. These replicate sections 7B and 7C of the Forestry Act 1967 and are widened beyond delegation of management of forestry land and renewable energy installations to reflect the broader land management role proposed for Scottish Ministers.

Your view on the definitions of “community bodies” in the Community Empowerment (Scotland) Act 2015 and the Forestry and Land Management (Scotland) Bill as the definition in the Forestry and Land Management (Scotland) Bill is not the definition used in part 4 of the Community Empowerment (Scotland) Act 2015?

The Committee is correct that the definition of community body in the Bill is not the definition used in part 4 of the Community Empowerment (Scotland) Act 2015. Part 4 of that Act modified Part 2 of the Land Reform Act 2003 which deals with Community Right to Buy. The Community Empowerment (Scotland) Act 2015 has further definitions of community body for the purposes of Part 3 (participation requests) and Part 5 (asset transfer) and the Act also amended the definition of community body in the Forestry Act 1967. There are therefore a number of definitions of community body in the Community Empowerment (Scotland) Act 2015 according to the purpose of the provision.

The definition of community body used in the Bill is that currently in statute and in operation via section 7C of the Forestry Act 1967 for delegation of management of forestry land and renewable energy functions to community bodies. Section 7C was originally inserted by section 11 of the Public Services Reform (Scotland) Act 2010. It includes the flexibility for Scottish Ministers to disapply certain requirements relating to the definition of a community body if it is in the public interest. This flexibility enables the Scottish Ministers to be responsive in their approach to land management delegations and to recognise the varied nature of groups interested either in taking on management of forests and other land managed by the Scottish Ministers or in operating renewable energy installations. Delegations are about management of land and may be revoked at any time; they are different in nature to land ownership as achieved by Community Right to Buy, for which there is a more tightly defined definition of community body.

The definition at section 7C was considered and amended by the Scottish Parliament during stage 2 of the Community Empowerment (Scotland) Bill, with the amended version coming
into force on 23 January 2017 via The Community Empowerment (Scotland) Act 2015 (Commencement No 4 and Transitory Provisions Order 2016 (SSI 2016/363). This 2015 amendment was sought to broaden the range of bodies that could be eligible for delegation, following representations to the Scottish Parliament that the previous definition was drawn too narrowly and excluded particular groups, notably Woodlotters. Further, the amendment aligned with those being made via the Community Empowerment Bill to the definition of community body for the purposes of Community Right to Buy, notably to enable Scottish Charitable Incorporated Organisations and community benefit societies (BenComs) to be eligible.

As the definition of community body as set out in the Bill is that currently in law in the Forestry Act 1967 for delegations of forestry land management and renewable energy installations, as amended recently following consideration and approval by the Scottish Parliament, it is considered to be the most suitable definition to take forward into the new statutory framework being introduced by the Bill.

**How local authorities are being encouraged to meet objectives in relation to completion of the land register in light of reports the Committee has had that councils are not on track in terms of registration of land they hold?**

Registers of Scotland (RoS) has established a team of dedicated public sector advisors which has met all local authorities to offer support, explain the voluntary registration process and encourage those bodies to bring forward applications to meet the 2019 target. RoS introduced a 25% reduction in its fees for voluntary registration and has introduced a new plans assistance service available at a reasonable cost that prepares a title plan suitable for registration.

Scottish Ministers made clear to local authorities in 2015 that it should be possible for public bodies to meet the 2019 target. Ministers did not consider it necessary to make the target mandatory, given the clear expectation that public bodies would work with RoS to achieve the 2019 deadline.

RoS announced in 2016 that it would extend its ‘Keeper induced registration’ (KIR) programme in research areas (areas where RoS has good knowledge about the content of titles) to include publically owned land. This means that the majority, perhaps all, of the remaining local authority housing stock still within public ownership will be entered onto the Land Register by RoS, with no cost or resource implications for local authorities. So far, over 5,000 local authority addresses have been added to the land register via KIR and this will expand greatly over the coming months.

**Islands (Scotland) Bill**

**What types of development activity might be covered or exempted by the regulations?**

Under the Bill, development activity means construction, alteration or improvement works in the sea or on or under the seabed. It also includes dredging. This, for example, could cover activities such as the construction or improvement of piers, breakwaters, marinas, moorings, pontoons, etc.
How a new licensing regime for the islands might work with Marine Scotland’s current licensing regime?

The current situation in Shetland provides a good example of how a local authority – Shetland Islands Council – currently works alongside Marine Scotland and within the national framework and current licensing regime. As a government we are keen to provide other island local authorities with the same opportunity to have more control over the development of the seas around their island communities. Under the proposals in the Bill, should a local authority with inhabited islands wish to become a marine development licensing authority then they will be able to apply to Ministers in order to exercise these new licensing powers. Draft regulations can then be drawn up and the Bill requires that the Scottish Ministers must consult widely before laying such draft regulations before the Parliament and any issues and concerns of stakeholders will be able to inform the development of regulations. These regulations would then need to be agreed and approved by Parliament.

Scotland’s National Marine Plan provides a comprehensive overarching framework for all marine activity in Scotland’s waters. The Plan is designed to enable sustainable development and use of Scotland’s marine area in a way which will protect and enhance the marine environment whilst promoting both existing and emerging industries. Therefore any decision which will arise from the development of regulations in relation to island marine development licences will need to be consistent with the National Marine Plan. We are taking a step by step approach and any new licensing regime for the islands would need to work alongside the national framework and the current licensing regime.

How the Government will ensure that there is no conflict of interest between local authorities with powers over planning control as well as participating in or proposing development?

The Bill proposes that under the regulations a person will not be able lawfully to carry out a development activity in an area designated as an ‘island licensing area’ without first obtaining a licence from a local authority and, if such a licence is granted, will have to carry out the activity in compliance with its terms. The planning powers of the local authorities will remain unaffected. In addition to having to obtain a licence from a local authority, the person would still need to obtain the consent of other licensing or regulatory authorities such as Marine Scotland or the Crown Estate. More information on the current system can be found at: http://www.gov.scot/Topics/marine/Licensing/marine

Waste

When the findings of the [deposit return] workshops will be completed and whether these will be published in advance of the proposed Circular Economy Bill?

I wrote to the Convener on Thursday 29 June setting out next steps following conclusion of the recent stakeholder workshops. I have commissioned Zero Waste Scotland to develop a number of models for a deposit return system. That work will be overseen by a steering group including those sectors with a key interest; and I intend that the models then be subject to a full consultation and associated impact assessment. I note that the Committee has recognised the complexity of the issue of deposit return.
Flood Prevention and Protection

What work is being carried out to analyse the suitability and effectiveness of the methodology used to designate Potentially Vulnerable Areas and whether SEPA will consider new evidence and information when reviewing and updating Local Flood Risk Management Plans?

Work on the second National Flood Risk Assessment (NFRA 2), which provides the basis for the identification of Potentially Vulnerable Areas (PVAs), is under way at SEPA. SEPA has reviewed the methodology applied in the previous cycle so that the NFRA 2 will build on the knowledge gained in the first cycle. In doing so, new data and information, especially relating to climate change, community functionality, cohesion and isolation, and social vulnerability will be used to improve the approach. NFRA 2 will use updated receptor datasets such as an updated property dataset as well as current national landcover, transport, cultural heritage and environmental site data. It will also use the most up to date national flood hazard data. In addition, findings of recent research projects, including the National Coastal Change Assessment and the Mapping Flood Disadvantage Scotland projects will also be considered as part of the new methodology. The draft approach will undergo peer review with input from a wide range of stakeholders. The initial phase of this is underway.

Once the NFRA2 is completed and PVAs identified, SEPA will then begin to review and update the 14 Flood Risk Management Strategies which were published in December 2015, taking into account new evidence and information. These Strategies must set objectives for the management of flood risk for the PVAs and identify measures to achieve those objectives in a way which SEPA considers is most sustainable. In addition, the lead local authority for each of the 14 local plan districts will prepare a Local Flood Risk Management Plan to supplement the relevant updated Flood Risk Management Strategy. The Local Flood Risk Management Plan will include a description of how the measures identified in the Strategy are to be implemented.

Air Quality

Why the Scottish Government's Cleaner Air for Scotland – the Road to a Healthier Future (CAFS) strategy aims for 2020 to be fully compliant with the EU air quality legislation? How was that date decided upon?

The 2020 timeline takes into account our intentions to comply with EU legislation in the shortest possible time, taking account of modelling of air quality progress and on-going and planned further work to deliver air quality improvements. This timing and the planned actions set out to deliver progress in promoting air quality in Scotland were included in the stakeholder engagement programme and consultation which informed the Cleaner Air for Scotland strategy.

The Budget Process

What planning has been done to identify and cost which additional responsibilities SEPA, SNH and Marine Scotland might have to take on, once Britain has left the EU?

In order to ensure that Scotland’s interests are protected in all circumstances the Scottish Government is preparing for a range of scenarios. These include a 'hard Brexit', which has been the direction of travel from the UK Government so far, to our compromise position of
continued single market membership for the UK as a whole. We are also having to plan for
the contingency that there is a breakdown in talks with no deal being reached.

**What discussions the Cabinet Secretary has had with SNH’s new chair (Dr Mike
Cantlay) on funding and future direction for the agency?**

I have met the new Chair of SNH to discuss priorities for the organisation over the next few
years, including in relation to the process SNH is currently engaged in to develop its
Corporate Plan for 2018-2022. This will be submitted in due course to Scottish Ministers for
approval. Dr Cantlay and I recognised that there will need to be a degree of flexibility in
SNH’s business planning to respond to any changes to priorities which may emerge over the
next few years, in particular to take account of the implications of the UK leaving the EU. We
also noted the important contribution which SNH currently is making across its broad remit.

**Biodiversity**

**Timescales for publication of the 3 yearly Report to Parliament on Progress with the
Scottish Biodiversity Strategy.**

The Scottish Biodiversity Strategy Report to the Scottish Parliament 2014 – 2016 was laid

**Whether you will reconsider the Committee’s suggestion that this should be
accompanied by a statement to the Scottish Parliament on the subject?**

As I noted in my letter of 12 April, there have been a number of occasions during the recent
Parliamentary session to consider the topic of biodiversity and I do not think it is necessary
to make a statement to the Parliament solely about the 3-year Report. I am confident that
there will be opportunities for the Parliament to consider biodiversity in the new session.

**What formal meetings have taken place on biodiversity structure and governance
since the election in May 2016?**

Discussions have taken place as part of the Scottish Biodiversity Strategy Co-ordination
Group and with the Chairs of the Scottish Biodiversity Strategy Support Groups. Biodiversity
governance has also been raised by stakeholders in meetings with me and with my officials.

**What Ministerial involvement has there been in this?**

The governance review of biodiversity was completed in 2016 and the Rural Affairs Food
and Environment (RAFE) Delivery Board considered future governance arrangement for
biodiversity at its meeting on 29 June 2017, and I am aware that I will shortly receive advice
from my officials on proposed governance arrangements. The RAFE Delivery Board brings
together Chief Executives and equivalents of SNH, SEPA, the National Parks, the Crofting
Commission, Scottish Land Commission, Forestry Commission Scotland, Forest Enterprise
Scotland, Royal Botanic Gardens Edinburgh, Scottish Water and Zero Waste Scotland,
together with a couple of non-executive members and relevant senior officials.

In the meantime, the delivery of biodiversity has continued to be driven forward by the
working groups and the Scottish Biodiversity Strategy Co-ordination Group (which is chaired
by Scottish Natural Heritage). These groups have continued to meet regularly to support
and coordinate the delivery of the Scottish Biodiversity Strategy and ‘Scotland’s Biodiversity
Have Ministers considered how they would like to replace the RAFE Delivery Board? If not, when will this decision be taken?

The RAFE Delivery Board has been in place since April 2015 and until the Scottish Election in 2016 was jointly chaired by the Cabinet Secretary and Minister for that portfolio. Since May 2016, the RAFE Delivery Board has continued to meet informally at official level to work on issues of common interest. Recognising the changes to Ministerial portfolios and the positive impact the Board has had to date, my officials have been considering how the Board can now best support the delivery of government priorities. This has resulted in a revised draft remit being considered at the Board meeting on 29 June 2017. Once a final revised remit for the Board has been approved, I will ensure this Committee is informed.

In your letter of March 2017, you indicated the original 13 ecosystem health indicators were on track for publication in September 2017 and the Committee would welcome an update on whether this is still the case.

The thirteen Ecosystem Health Indicators are on track for publication in September 2017.

Deer Management

What will be included in the clear plan on deer management?
When the Committee can expect a response from the Scottish Government to its report on Deer Management in Scotland?

I wrote to the Committee on 29 June setting out our plans for taking forward work to improve deer management in Scotland. I expect to be in a position to provide further details on the membership of the independent group and their work programme when Parliament returns after the summer recess.

Scottish Water and Business Stream

What is the Cabinet Secretary’s early thinking about the next phase of planning for Scottish Water, from 2021 to 2027, and for example the focus of the new Ministerial objectives?

Planning for the next regulatory period was launched formally on 31 January 2017 when a letter was sent to the Water Industry Commission for Scotland. A copy of the letter is attached. It sets out the broad timetable for confirming Ministers’ Principles of Charging Statement and Investment Objectives for the period 2021 to 2027.

In broad terms, draft documents will be prepared for April 2018. These will be finalised, following a period of consultation, in December 2019. I will ensure that the Committee is kept appraised of progress and is given the opportunity to comment on the draft documents.

What are the implications for Scottish Water of some of the longer term changes in population, technology, politics and economics, and the environment?

During a Strategic Review of charges, the water industry will seek to understand the longer term changes so that they can be factored into the investment plans and the prices that
customers pay. The assumptions made about these factors will be clearly set out in the Principles of Charging Statement and the Investment Objectives.

Scottish Water is also required to present a 25 year Strategic Projections to the Water Industry Commission for Scotland. As part of the planning for the period 2021-27, it is due to publish its 25 year Strategic Projections in February 2018.

What are the risks and opportunities to Business Stream itself, and to its existing customer base of moving into the English market?

Business Stream has been operating in a competitive retail market since 2008. It has a wealth of experience that it is now able to offer customers in England. As the incumbent of the Scottish market providing retail services to 100% of the non-domestic customer base at market opening, Business Stream could only lose market share to competitors. The opening of the English market, which is much larger than in Scotland, provides an opportunity for Business Stream to grow its business to the benefit of all of its customers.

Is the Cabinet Secretary satisfied that Business Stream is providing an effective service to Scottish businesses?

Business Stream is one of over 20 licensed retailers in the Scottish market. Like all retailers in this market, Business Stream has to work hard to retain customers by providing competitive offers to customers in terms of price and customer service.

Overall, competition has been good for Scottish businesses. It has delivered lower bills via discounts and water efficiency measures and better customer service. Business Stream alone has delivered, since 2008, £98m of discounts, £54m water efficiency savings and £7m of electricity savings to its customers.

Crown Estate

What was the flavour of the responses to the consultation on the long term future of the Crown Estate, and how are they shaping the interim body’s corporate plan, and the government’s forthcoming legislation for the long term future?

We recently consulted on the aims for future management of Crown Estate assets in Scotland, who should manage the transferred functions, a governance framework to define the scope for how assets could be managed differently at the local level, and how revenue from the assets should be used in future. Over 200 responses were received to the public consultation which are currently being analysed.

The preliminary findings from the consultation responses suggest that there was support for a number of proposals in the consultation paper. There was support amongst respondents for a phased approach to introduce reforms to the management of Scottish assets, for the ability for decisions on future management of the assets to take account of wider socio-economic and environmental objectives as well as commercial considerations, and for a national framework to govern opportunities for devolution of management to the local level. Scottish Ministers will consider the consultation responses and take those into account as the proposals for future legislation are developed.

The Crown Estate Scotland (Interim Management) Board has begun to develop a corporate plan. While the recent Scottish Government consultation focussed on proposals to be
introduced through primary legislation, there are a number of elements that will be reflected in the interim body’s plan, including:

- a stronger focus on measuring wider socio-economic and environmental benefits / impact;
- maintaining the presumption against selling the seabed;
- making clear the contribution of Crown Estate Scotland (Interim Management) to national outcomes;
- a commitment that the Board will fully examine the case for a local pilot(s);
- developing and implementing an investment strategy;
- continuing to invest capital from one part of the estate into another, and from one geographical area into another.