ENIRONMENT, CLIMATE CHANGE AND LAND REFORM COMMITTEE

AGENDA

6th Meeting, 2018 (Session 5)

Tuesday 20 February 2018

The Committee will meet at 9.40 am in the Robert Burns Room (CR1).

1. **Decision on taking business in private:** The Committee will decide whether to take item 3 in private.

2. **Scottish Crown Estate Bill:** The Committee will take evidence on the Bill at Stage 1 from—

   David Mallon, Head of Crown Estate Strategy Unit, and Mike Palmer, Deputy Director, Aquaculture, Crown Estate, Recreational Fisheries, EMFF and Europe Division, Marine Scotland;

   Douglas Kerr, Solicitor, Scottish Government Legal Directorate.

3. **Air quality in Scotland:** The Committee will consider a draft report.

4. **Scottish Crown Estate Bill (in private):** The Committee will consider evidence heard earlier in the meeting.

5. **Environmental implications for Scotland of the UK leaving the EU (in private):** The Committee will consider evidence heard in earlier meetings.

6. **Inquiry into the environmental impacts of salmon farming (in private):** The Committee will consider evidence received.

Lynn Tullis
Clerk to the Environment, Climate Change and Land Reform Committee
Room T3.40
The Scottish Parliament
Edinburgh
Tel: 0131 348 5240
Email: ecclr.committee@parliament.scot.
The papers for this meeting are as follows—

**Agenda Item 2**

Scottish Crown Estate Bill Cover Note

PRIVATE PAPER

**Agenda Item 3**

PRIVATE PAPER

**Agenda Item 5**

PRIVATE PAPER

**Agenda Item 6**

PRIVATE PAPER
Introduction

1. The Scottish Crown Estate Bill was introduced in the Scottish Parliament on 24 January 2018. The Bill was published the following documents:
   - Scottish Crown Estate Bill
   - Policy Memorandum
   - Explanatory Notes
   - Financial Memorandum
   - Statement on Legislative Competence
   - Delegated Powers Memorandum

2. Under rule 9.6 of the Standing Orders, the Parliamentary Bureau referred the Bill to the Environment, Climate Change and Land Reform Committee to consider and report on the general principles.

3. No secondary Committee was appointment to scrutinise the Bill. However, the Finance and Constitution Committee will consider the Financial Memorandum to the Bill. It will also be considered by the Delegated Powers and Law Reform Committee at Stage 1.

Background to the Bill

4. The Crown Estate in Scotland was originally part of the UK wide Crown Estate, which is one of the largest property owners in the UK. It is independently managed in the UK by the Crown Estate Commissioners (CEC) which belongs to the reigning monarch ‘in right of The Crown’. However, it is not Her Majesty the Queen’s private property as Crown Estate assets cannot be sold by the monarch nor do revenues from it belong to them.

5. In 2014 the Smith Commission agreed responsibility for the management of the CEC economic assets in Scotland, and the revenue generated from these assets, should be transferred to the Scottish Parliament. This would include the Crown Estate’s seabed, urban assets, rural estates, mineral and fishing rights, and the Scottish foreshore for which it is responsible. It also agreed that following this transfer, responsibility for the management of those assets will be further devolved to local authority areas such as Orkney, Shetland, Comhairle nan Eilean Siar, or other areas who seek such responsibilities.
6. These recommendations were included in the [Scotland Act 2016](https://www.legislation.gov.uk/ukpga/2016/30/contents) and powers over the revenue and management of the Crown Estate in Scotland were subsequently transferred to the Scottish Government. It then established an interim body to take on the management functions of the Scottish assets. This body, Crown Estate Scotland, became fully operational on 1 April 2017 and operates under a framework document drawn up by the Scottish Government.

7. Crown Estate Scotland is responsible for managing:

- 37,000 hectares of rural land with agricultural tenancies, residential and commercial properties and forestry on four rural estates (Glenlivet, Fochabers, Applegirth and Whitehill);
- Rights to fish wild salmon and sea trout in in river and coastal areas;
- Rights to naturally-occurring gold and silver across most of Scotland;
- Just under half the foreshore around Scotland including 5,800 moorings and some ports and harbours;
- Leasing of virtually all seabed out to 12 nautical miles covering some 750 fish farming sites and agreements with cables & pipeline operators;
- The rights to offshore renewable energy and gas and carbon dioxide storage out to 200 nautical miles; and
- Retail and office units at 39-41 George Street Edinburgh.

**Contents of the Bill**

8. The [Scottish Crown Estate Bill](https://www.legislation.gov.uk/ukpga/2018/12/contents) makes provision for the on-going devolution of the Crown Estate to Scottish Ministers following the Smith Commission’s recommendations and makes provision for its future management.

- **Part 1** renames Crown Estate Scotland (Interim Management), established in the 2017 Order, to Crown Estate Scotland (CES).
- **Part 2** establishes the provision that Scottish Ministers may transfer management of Scottish Crown Estate assets to a ‘transferee’ (colloquially a manager) which could include CES, a local authority, another Scottish public authority or a community organisation.
- **Part 3** makes provision for a number of managerial provisions including: allowing managers to dispose and/or acquire assets on behalf of the Crown as if they were owners; to maintain the financial value of the assets; to maintain and enhance the wider socio-economic benefits of Scotland; and prepare management plans.
- **Part 4** covers a range of more general provisions, including the parliamentary procedure to be used for future regulations and the commencement of the Bill.
Environment, Climate Change and Land Reform Committee Scrutiny

9. The Committee’s timetable for consideration of the Bill at Stage 1 is:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>9 February</td>
<td>Launch of call for views</td>
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<tr>
<td>20 February</td>
<td>Evidence session with Bill Team</td>
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<tr>
<td>12 March</td>
<td>Potential visit</td>
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<tr>
<td>13 March</td>
<td>Evidence session with stakeholders 1</td>
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<tr>
<td>20 March</td>
<td>Evidence session with stakeholders 2</td>
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<tr>
<td>23 March</td>
<td>Close of call for views</td>
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<td>17 April</td>
<td>Evidence session with stakeholders 3 if required</td>
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<td>24 April</td>
<td>Evidence session with Cabinet Secretary</td>
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<td>15 May</td>
<td>Consideration of draft report</td>
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<td>22 May</td>
<td>Agree draft Report</td>
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<tr>
<td>24 May</td>
<td>Publication of Stage 1 report (depending on when agreed)</td>
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<tr>
<td>June</td>
<td>Stage 1 debate</td>
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10. At this meeting, the Committee will hear from officials from the Scottish Government Bill Team:

- David Mallon – Head of Crown Estate Strategy Unit
- Mike Palmer – Deputy Director, Aquaculture, Crown Estate, Recreational Fisheries, EMFF and Europe Division
- Douglas Kerr – Scottish Government Legal Directorate

Clerks
Environment, Climate Change and Land Reform Committee