

**Fairer Scotland Duty**

# **Scottish Crown Estate Act Commencement Project**

**April 2020**

## FAIRER SCOTLAND DUTY SUMMARY TEMPLATE

<p><b>Title of Policy, Strategy, Programme etc</b></p>	<p>Scottish Crown Estate Act Commencement Project</p>
<p><b>Summary of aims and expected outcomes of strategy, proposal, programme or policy</b></p>	<p>In order to reform the management of the Scottish Crown Estate (SCE) and build upon the work of the Smith Commission, a Bill was introduced to the Scottish Parliament on 24 January 2018. The Bill received Royal Assent on 15 January 2019 and became the Scottish Crown Estate Act 2019 (the Act). The Act provides opportunities for local control of the management of the SCE assets and to deliver wider reforms to how assets are managed. The Act is in four main parts:</p> <ul style="list-style-type: none"> <li>• Changes the name of Crown Estate Scotland (Interim Management) to Crown Estate Scotland,</li> <li>• Mechanisms to allow for a change in manager of SCE assets,</li> <li>• Reforms to a manager’s powers and duties, and</li> <li>• General provisions for transparency and accountability (such as planning, reporting and accounting) and to provide a national framework for a manager to operate within.</li> </ul> <p>The policy behind the commencement project is to commence the Act in a phased approach which best ensures a smooth commencement for Crown Estate Scotland and their tenants in a timely manner. Commencement will replace the existing Crown Estate Act 1961 with more relevant, modern, appropriate and flexible provisions to capitalise on the benefits of the assets, while promoting sustainability, inclusiveness and high levels of accountability and transparency.</p> <p>The overall strategic long-term framework for the management of the SCE is intended to maintain and support value and growth through sustainability and regeneration. While none of the sections in the Act directly contribute towards making Scotland a fairer society in terms of specific provisions to address socio-economic disadvantage such as addressing low wealth, material or area deprivation, socio-economic background or poverty, or inequalities of outcome such as those in health, the Act includes duties relating to furthering</p>

	<p>sustainable development, regeneration and social well-being and the provisions of the Act are designed to create appropriate opportunities to contribute in general terms to making Scotland a fairer society.</p> <p>A Strategic Management Plan will exist at the national level to govern management of the assets which will ensure common standards of openness, transparency and accountability across the estate. A manager will be required to prepare their own management plans for assets which they manage.</p> <p>Management plans will cover a 3 year period. Each plan will set out the manager’s objectives and activities, including how the manager proposes to maintain and seek to enhance the value of the assets which they manage. Annual Reports are also required to be submitted by a manager to Scottish Ministers. It is expected that this could include the impacts that the decisions and proposals are having in addressing any socio-economic development in ensuring making Scotland a fairer society along with the wider impact assessments for children’s rights, equality and island communities.</p> <p>A manager will also need to consider the implications of their management plans or any future wider policy decisions on any impacts in relation to the Fairer Scotland Duty. We anticipate that this could entail an assessment of the impacts of their decisions in carrying out their duty under Section 7, and how that action has addressed local socio-economic needs.</p>
<p><b>Summary of evidence</b></p>	<p>Crown Estate Scotland currently manages the SCE and their strategic objectives for the estate, aligning with the National Performance Framework and wider Scottish Government policy. In their current draft Corporate Plan 2020-2023, Crown Estate Scotland have highlighted opportunities to support local regeneration and sustainability and are considering a range of projects to deliver social and environmental well-being.</p> <p>We have given due regard to whether an assessment is required at this stage. The recent public consultation on the first Strategic Management Plan for the Scottish Crown Estate canvassed opinion on the case for a Fairer Scotland Duty assessment. This exercise did not identify any significant concerns in relation to the draft Fairer Scotland Duty assessment included as part of the consultation.</p> <p>The commencement of The Scottish Crown Estate Act 2019 creates new statutory powers to enable local management of an asset or part of an asset, subject to a Transfer or Delegation request made through the powers in the Act. Each individual request is likely to be unique due to the nature of the estate and local requirements, and</p>

	<p>will be assessed on a case-by-case basis. A Fairer Scotland impact assessment will be carried out as part of the case-by-case assessment process. Proposals can be considered on the basis of a range of factors including whether they will improve outcomes for people experiencing social economic disadvantage to make Scotland a fairer society.</p> <p>A strategic policy of the Act is Section 7 which places a duty on a manager of the estate to maintain, and seek to enhance, value and manage the asset in a sustainable manner. Net revenues generated from the estate are paid into the Scottish Consolidated Fund. The net revenue generated by the marine assets out to 12 nautical miles is re-invested back to Local Authorities to invest for wider benefit in coastal communities (which could contribute towards addressing socio-economic disadvantage). As a result there may be positive unintentional or intentional impacts on groups who are experiencing inequality by the actions of Local Authorities investing the revenue generated by the SCE.</p>
<p><b>Summary of assessment findings</b></p>	<p>The result of our assessment is that a Fairer Scotland Duty assessment need not be carried out for the commencement project in commencing the sections of the Act. The commencement project is a technical enabling exercise only bringing the powers of the Act into effect. After commencement it will be the responsibility of a manager as part of their duty in managing an asset and of Scottish Ministers in considering any future requests for a change in manager to take account of whether the decisions they make are going to contribute to addressing Fairer Scotland considerations.</p>
<p><b>Sign off</b></p>	<p><b>Name: Mike Palmer      Date: 10 January 2020</b></p> <p><b>Job title: Deputy Director for Marine Planning and Policy</b></p>



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Any enquiries regarding this publication should be sent to us at

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EH1 3DG

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