ARGYLL AND BUTE COUNCIL

Policy and Resources

Customer Services

30 October 2014

Smith Commission and Local Government in Scotland

1.0 EXECUTIVE SUMMARY

- 1.1 This report recommends that Members instruct Council officers to make a submission to the Smith Commission which has been set up following the Scottish Independence Referendum. The Smith Commission's terms of reference include to convene cross-party talks and facilitate an inclusive engagement process across Scotland to produce Heads of Agreement with recommendations for further devolution of powers to the Scottish Parliament.
- 1.2 This report further contains a suggested submission which, should Members be minded to instruct that a submission be made, can be made by the Council and asks that Members consider the content thereof, specify any amendments or alterations which should be made to the terms thereof, and instruct officers to make such a submission on behalf of the Council.
- 1.3 It should be noted by Members that notwithstanding any response made by the Council, any individual Member or grouping of Members may make a submission to the Smith Commission on their own behalf.

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2.0 INTRODUCTION

2.1 This report recommends that Members instruct Council officers to make a submission to the Smith Commission and notes a draft submission which could be made by Council officers with any amendment or alteration specified by Members

3.0 RECOMMENDATIONS

3.1 That Members instruct Council officers to make a submission to the Smith Commission.

3.2 That Members agree the draft submission contained at Appendix 1 to this report should be submitted to the Smith Commission.

3.3 If Members are not minded to instruct the submission of the draft submission at Appendix 1 to this report, that Members instruct any amendment or alteration thereof and instruct submission of the then amended submission.

4.0 DETAIL

4.1 Following the Scottish Independence Referendum the Smith Commission, overseen by Lord Smith of Kelvin, was established to consider the devolution of further powers to the Scottish Parliament. The Commission has called for the views of individuals and civic leaders, asking that views are submitted to the Commission by 5pm on 31st October 2014.

4.2 The Smith Commission's terms of reference are:

'To convene cross-party talks and facilitate an inclusive engagement process across Scotland to produce, by 30 November 2014, Heads of Agreement with recommendations for further devolution of powers to the Scottish Parliament. This process will be informed by a Command Paper, to be published by 31 October and will result in the publication of draft clauses by 25 January. The recommendations will deliver more financial, welfare and taxation powers, strengthening the Scottish Parliament within the United Kingdom.'

4.3 The Scotland Act 1998 provides powers for the Scottish Parliament by means of devolving all powers from the United Kingdom to the Scottish Parliament, with the exception of the reserved powers which are contained at Schedule 5 to that Act. These devolved powers have enabled the acting of the Scottish Parliament since 1999. The Scotland Act 2012 makes further provision for the devolution of powers to the Scottish Parliament, including those relating to Land and Building Transaction Tax, Landfill Tax, borrowing and the Scottish rate of income tax, with powers on these areas coming into effect during 2015 and 2016.

4.4 Following the Scottish Independence Referendum on September 2014, the Smith Commission is tasked with recommending further powers to be devolved to the Scottish Parliament. It is expected that the Smith Commission will produce by 30th November 2014 Heads of Agreement with recommendations, and that draft clauses will be published by 25th January 2015.

4.5 In providing a response on the part of the Council to the Commission, it is considered important that the Commission is asked to recognise the full extent of the role which local authorities play in the governance of Scotland and local government's position in the tiers of governance as a significant provider of services to citizens, as well as the unique issues which are faced by the constituents of Argyll and Bute and the role this local authority can take to enable local people to realise the full potential of their area.

4.6 Attached as Appendix 1 is a draft submission proposed to be submitted to the Smith Commission on behalf of Argyll and Bute Council. This draft submission seeks to have the Commission take full cognisance in undertaking its work of the important role played by local authorities in Scotland and the significant tier in the wider governance structure which they constitute. The draft submission seeks to ensure that the Smith Commission have a full understanding of the importance of Councils in terms of local engagement and local accountability, and recognise the issues faced by those living in rural or island areas and the desire for equality in access to services. The draft submission further seeks to ensure that the devolution of further powers to the Scottish Parliament enables the continuation and the further development of successful local and national partnership working. Members are asked to instruct the submission of the draft submission on behalf of the Council, or to specify amendments which are to be made prior to submission.

4.7 Members should note that in addition to a submission by the Council, any individual Member or any group of Members may submit a separate submission by e-mail to <u>haveyoursay@smith-commission.scot</u>, by letter to The Smith Commission, 7th Floor, 144 Morrison Street, EH3 8EX, or by online submission via the Commission's website at <u>http://www.smith-commission.scot/have-yoursay/</u>. As with a submission made by the Council, any individual or group submissions require to be made by 5pm on 31st October 2014.

5.0 CONCLUSION

5.1 It is recommended that Members consider the content of this report and agree the recommendations noted above at 3.1 to 3.3.

6.0 IMPLICATIONS

- 6.1 Policy N/A
- 6.2 Financial N/A
- 6.3 Legal N/A
- 6.4 HR N/A
- 6.5 Equalities N/A
- 6.6 Risk The Smith Commission does not commit to publish all submissions, but does apply a general policy of openness in its work and expects to publish most of the submissions received.
- 6.7 Customer Service N/A

Executive Director - Customer Services

22nd October 2014

For further information contact: Graeme B. Forrester, Area Committee Manager, Kilmory, Argyll and Bute Council. Tel: 01546 604197

APPENDICES

Appendix 1 – draft submission to Smith Commission

Appendix 1

The Smith Commission and Local Government in Scotland Argyll and Bute Council asks that the Smith Commission have regard to the importance of local government in the governance arrangements for Scotland when producing Heads of Agreement and recommendations for the further devolution of powers to the Scottish Parliament. Argyll and Bute Council asks that the visions of local authorities and the needs and ambitions of the local people and communities who rely upon these authorities for the provision of services are taken into full consideration in the work of the Commission.

Local authorities serve the whole population of Scotland and in many circumstances are the first point of contact for local people seeking a service. Local authorities in Scotland have a fundamental role to play in enabling local people and communities to drive development in their area and to co-ordinate activities and resources in local areas to enable communities to realise their full economic and social potential. Local authorities are ideally placed to support local communities to pursue their ambitions, and this should be recognised in the further devolution of powers to the Scottish Parliament through support for the strengthening of local democracy and the confirmation of its place in governance arrangements. Local authorities are in a unique position to promote local engagement in the governance of Scotland, and to ensure that people see local accountability in decision-making.

Argyll and Bute Council also ask that in producing Heads of Agreement and recommendations for the devolving of further powers to the Scottish Parliament, the Commission recognise the diversity of people, in their ambitions and in their needs, across the country. In considering the possibilities in further devolution to the Scottish Parliament it is imperative that the Commission recognise the importance of local communities and local authorities being empowered to take decisions and to have the capabilities needed to implement decisions. In particular, regarding rural and island communities, it is imperative that people enjoy equality in access to services and in opportunities with those who live in urban areas, and the ability to make and implement decisions to tackle issues relating to transport, infrastructure and a higher cost of living. It is of great importance to island and rural communities that the devolution of further powers to the Scottish Parliament enables local communities to build upon successful work which has been undertaken and which has brought together local, national and European bodies to identify opportunities for development and the funding to enhance the potential of these areas.