



Scotland: Devolution proposals 2014-2015

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The independence referendum in Scotland on 18 September 2014 returned a No vote by a margin of 55% to 45%. During the referendum campaign the three main UK parties committed to further devolution of powers to the Scottish Parliament. A Commission chaired by Lord Smith of Kelvin took forward the first stage of seeking agreement on these powers: it reported its [Agreement](#) on 27 November 2014.

The UK Government published [draft proposals for legislation](#), based on the Smith Commission Agreement, on 22 January 2015. An explanation of these proposals and commentary on how these link to the Smith Commission report and existing devolved powers are also contained in the January publication.

This note traces the commitment to a “timetable” for new powers, summarises substantive new powers proposed by each party individually, and looks at commentaries on their potential impact. It has been updated to give a brief account of draft legislation published on 22 January 2015.

Further details on the enhanced powers already agreed and enacted in [The Scotland Act 2012](#), but not yet brought into force, can be found in a number of House of Commons Library publications including:

Paul Bowers, Antony Seely, Dominic Webb, [Scotland Bill, Research Paper 11/06](#), 18 January 2011.

Antony Seely, [The Scotland Act 2012: devolution of tax powers to the Scottish Parliament](#), Standard Note SN/BT/5984, 10 October 2014.

The impact of devolution on the way that the House of Commons legislates for England is discussed in House of Commons Library Standard Notes SN/PC/7027, [The English Question](#), 18 November 2014, SN/PC/6821, [The McKay Commission](#), 14 February 2014, and SN/PC/2586, [The West Lothian Question](#), 18 January 2012.

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1 Background: what is devolved and what might further devolution include?

Matters are devolved in Scotland unless they are specifically reserved in [Schedule 5](#) to the *Scotland Act 1998*. The exact division of powers between the Scottish and UK levels is a matter of detail and sometimes of interpretation.

The reserved matters include constitutional issues such as the Crown, the Union of Scotland and England and the UK Parliament, foreign affairs and related fields such as defence, regulation of international trade, and international aid, and economic matters such as currency, most aspects of fiscal and monetary policy, financial services regulation and action against money laundering. National security, ownership of oil and natural gas, nuclear energy, social security and pensions, and immigration and nationality are reserved, as are most aspects of data protection and freedom of information, and bioethical issues such as abortion, embryology and xenotransplantation. There are also detailed reservations within fields that are generally devolved, which may be traced by scanning the list in Schedule 5 to the 1998 Act. Guidance on UK Departmental responsibility for the reserved matters is available in Standard Note 6322, [Responsibility for reserved powers in Scotland](#), 18 June 2012.

Significant changes were made to the devolved powers by the *Scotland Act 2012*, although at time of writing these have not all come into force: the most far-reaching are due to commence in 2016. These include a reduction in UK rates of income tax by 10p in the pound, with the Scottish Parliament gaining the power to add as much or as little as it wishes by way of a Scottish rate of income tax on top. In addition, new borrowing powers are included. The details are discussed in Research Paper 11/06, [Scotland Bill](#), 18 January 2011, and Standard Note 5984, [The Scotland Act 2012: devolution of tax powers to the Scottish Parliament](#), 10 October 2014. Other relevant work on the changes under the 2012 Act includes Research Paper 11/49, [Scotland Bill: committee stage report](#), 14 June 2011, Standard Note 6185, [Scotland Bill: latest developments](#), 26 January 2012, and Standard Note 6302, [Scotland Bill: amendments in the House of Lords](#), 27 April 2012.

From time to time calls are made to create a much greater set of devolved powers. Sometimes these are referred to as “devo max”, but this term is not defined. It could be taken to imply the maximum set of powers that could be devolved while still leaving the UK as a sovereign state, but there is room for discussion as to exactly what that would include. The three main UK political parties have put forward proposals for further devolution which clearly stop short of this maximum. By doing so in isolation they would maintain the asymmetry of devolution in the UK. In the aftermath of the referendum, and with the promise of new powers for Scotland, that asymmetry has come under scrutiny, particularly from representatives in England.

One aspect of this scrutiny, the role of MPs from constituencies outside England voting on legislation that affects England but not their own constituents, is covered in Standard Notes 7027, [The English Question](#), 18 November 2014, 6821, [The McKay Commission: report of the Commission on the consequences of devolution for the House of Commons](#), 14 February 2014, and 2586, [The West Lothian Question](#), 18 January 2012. Another question thrown up by further devolution to Scotland is the absence of devolution for England (though arguably some devolution exists for London). Debate over this may be revived, having been abandoned following the rejection of a regional assembly for North-East England in a

referendum in 2004. Standard Note 7029, [Devolution to local government in England](#), 19 November 2014, is relevant.

2 UK government position and the multi-party offer

On 22 May 2014 Alistair Carmichael, the Secretary of State for Scotland, gave notice of his intention to host what he described as a conference on the new Scotland, in the event of a No vote in the Referendum.¹ The intention would be to invite all political parties to join such a conference. The timing of this followed from a recommendation made by the Liberal Democrats in their proposals on devolution, that a cross-party process should begin not more than a month after the vote.²

2.1 Three-party pledge of new powers

On 16 June 2014, the leaders of the Scottish Conservative, Scottish Labour and Scottish Liberal Democrat parties issued a joint statement:

Power lies with the Scottish people and we believe it is for the Scottish people to decide how we are governed.

We believe that the pooling and sharing of resources across the United Kingdom is to Scotland's benefit in a partnership of four nations in which distinct national identities can flourish and be celebrated.

We believe that Scotland and the United Kingdom have been strengthened since the advent of devolution.

We support a strong Scottish Parliament in a strong United Kingdom and we support the further strengthening of the Parliament's powers. The three parties delivered more powers for Holyrood through the Calman Commission which resulted in the Scotland Act 2012.

We now pledge to strengthen further the powers of the Scottish Parliament, in particular in the areas of fiscal responsibility and social security. We believe that Scotland should have a stronger Scottish Parliament while retaining full representation for Scotland at Westminster. Our common agenda can bring people together from all of Scotland, from civic society and every community.

The Scottish Labour Party, the Scottish Conservative and Unionist Party and the Scottish Liberal Democrats have each produced our own visions of the new powers which the Scottish Parliament needs.

We shall put those visions before the Scottish people at the next general election and all three parties guarantee to start delivering more powers for the Scottish Parliament as swiftly as possible in 2015.

Our common endeavour will deliver a stronger Scottish Parliament in a stronger United Kingdom.³

On 5 August 2014 the UK Conservative, Liberal Democrat and Labour parties issued a combined declaration echoing the 16 June statement.⁴ This was issued as a press statement

¹ [Scottish independence: Alistair Carmichael pledges devolution talks](#), BBC News, 21 May 2014.

² [Campbell II: the second report of the Home Rule and Community Rule Commission](#), Scottish Liberal Democrats, March 2014.

³ [Joint statement guarantees more powers for Scotland in a strong UK](#), Scottish Liberal Democrats, 16 June 2014.

on the day of the first televised leaders' debate between Alex Salmond, First Minister, and Alistair Darling, Better Together, and achieved widespread coverage in the UK press⁵.

2.2 Timetable for new powers

On 7 September, the Chancellor of the Exchequer, George Osborne, made commitments about the pace of change, following a No vote. Speaking on the BBC Andrew Marr show he said:

You will see in the next few days a plan of action to give more powers to Scotland, more tax powers, more spending powers, more powers over the welfare state.

That will be put into effect the moment there is a 'No' vote in the referendum.⁶

There were some queries raised as to whether this announcement broke the purdah rules on campaigning during the Referendum period. It was confirmed that the offer of a timetable would come from the political parties, not the UK Government.

The former Prime Minister, Gordon Brown, made a speech on 8 September, at a Labour Party event, where he set out a timetable for action on further devolution. This was given as:

- work to begin on the new legislation on 19 September, the day after the referendum.
- a "command paper" to be published by the present UK government setting out all the proposals by end of October.
- a white paper to be drawn up by the end of November after a period of consultation setting out the proposed powers
- a draft new law to be published for a new Scotland Act in January [2015].⁷

Alistair Darling, Chair of the Better Together Campaign, clarified that:

no new powers would be put on the table beyond those already announced by the three main Westminster parties earlier this year.

The additional powers coming to the Scottish Parliament were announced by the party leaders, north and south of the border, some time ago.

The timetable was endorsed by the leaders of the Scottish Labour, Conservative and Liberal Democrat parties in a press statement on 9 September. Further details on the process were also given on the Better Together campaign website:

- Friday 19 September.--The day after a No vote the timetable for further powers will be published as a motion before the UK Parliament. All UK parties will support the motion.

⁴ [Clegg backs cross-party commitment on more powers](#), Press release, Scottish Liberal Democrats, 5 August 2014.

⁵ [Cameron, Miliband and Clegg sign up for more Scottish powers ahead of TV debate](#), Daily Telegraph, 5 August 2014.

⁶ [Scottish independence: Osborne reveals No vote action plan](#), BBC, 7 September 2014.

⁷ [Scottish independence: Brown sets out more powers timetable](#), BBC, 8 September 2014.

- Friday 31 October –A command paper will be published by the end of October setting out all the plans for more powers. We will then have intensive consultation with Scottish society.
- Sunday 30 November—By St Andrew’s Day we will have completed the consultation process and published a White Paper which will set out the final agreed plans. These will be open to challenge and scrutiny.
- Sunday 25 January—Legislation published by Burn’s Night. A new Scotland Bill, ready to be voted on by UK Parliament.
- Thursday 7 May—Second reading of the Scotland Bill will take place immediately after the General Election. With more powers on tax and welfare guaranteed and full power over our NHS and schools, we don’t need the risk of separation. ⁸

The UK party leaders all travelled to Scotland to be part of the campaign on Wednesday 10 September. Prime Minister’s Questions was led by the respective party deputies. In the Commons, the Leader of the House, William Hague stated:

the three main party leaders have come together to agree to develop a programme for change. The right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) has set out a process for how that change could be delivered to a tight timetable, and all three main parties have endorsed that timetable. It means immediate action the day after the referendum to start the legislative process; it means a Command Paper, including proposals, at the end of October, with a full draft Scotland Bill published by the end of January; and it means the introduction of a Bill after the general election, regardless of who forms the Government. That is a clear timetable and it shows that Scots can have change without irreversible separation and without such risks to jobs and their future.

However in a further exchange he also made clear that these were party undertakings at that point:

Mr Christopher Chope (Christchurch) (Con): Since 2012, my right hon. Friend and I have been supporting the policy of the Government not to offer so-called devo-max as a consolation prize in the event of a no vote in the Scottish referendum. If this is no longer the policy of the Government, when and why did it change, and what opportunity has there been for this House to express its view?

Mr Hague. It has been the policy of the Government for some time to be open to further devolution—I gave examples of what we have done in Wales, for instance, during the lifetime of this Government. The statements by the party leaders made on this in the last few days are statements by party leaders in a campaign—not a statement of Government policy today, but a statement of commitment from the three main political parties, akin to statements by party leaders in a general election campaign of what they intend to do afterwards. It is on that basis that they have made those statements. ⁹

⁸ [Change is coming to Scotland with a No vote](#), Better Together press release, 9 September 2014.

⁹ [HC Deb col 898-900](#), 10 September 2014.

2.3 UK party leaders' "vow"

On Tuesday 16 September the leaders of the UK political parties issued a joint signed statement of undertakings, which was published in the *Daily Record*, under the headline, "The Vow". The statement included:

The Scottish Parliament is permanent and extensive new powers for the Parliament will be delivered by the process and to the timetable signed and announced by our three parties, starting on 19 September....

We agree that the UK exists to ensure opportunity and security for all by sharing the resources equitably across all four nations to secure the defence, prosperity and welfare of every citizen.

And because of the continuation of the Barnett allocation for resources, and the powers of the Scottish Parliament to raise revenue, we can state categorically that the final say on how much is spent on the NHS will be a matter for the Scottish Parliament....

We will honour these principles and values not only before the referendum but after.¹⁰

2.4 Smith Commission

Following the referendum Prime Minister David Cameron announced that Lord Smith of Kelvin would lead a [commission](#) to reach cross-party agreement on a new set of powers for Scotland: this would feed into the process of publishing the Command Paper and White Paper.

The terms of reference for the Commission 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.¹¹

Lord Smith opened his work with talks at the Scottish Parliament, saying,

We have a willingness, shared by all five of Scotland's main political parties, to strengthen the powers of the Scottish Parliament. My message today to the political parties is a simple one - Scotland expects you to now come together, work together and agree the detail of what those powers should be.

Time is tight but this is not an exercise in thinking about what we could do; that has been done. It is about agreeing on what we will do. My job is to create a process through which agreement is reached, but I cannot force an agreement.

It will not be easy; it will require positive intent, courage and compromise from all parties. But I have confidence that our political leaders will rise to the challenge and I look forward to working with them.¹²

¹⁰ [Three leaders sign promise to Scotland](#), Daily Record, 15 September 2014.

¹¹ Smith Commission website, <https://www.smith-commission.scot/about/>

¹² [Agreement on new powers for Scotland 'not easy'](#), says Lord Smith, BBC, 23 September 2014.

Lord Smith invited each of the parties in the Scottish Parliament to nominate two representatives to participate in the talks, and he also indicated that the wider public and civil society would be consulted.

2.5 Command Paper: October 2014

The Command Paper to which the three parties committed themselves was published on 13 October 2014, as *The parties' published proposals on further devolution for Scotland*, Cm 8946¹³. It summarised the proposals put forward by each party, and compared them to the current situation. The proposals are also summarised in this Note below.

2.6 Smith Commission Agreement

On 27 November 2014 the Smith Commission published its report, embodying a shared position known as the Smith Commission Agreement. This was divided thematically into Heads of Agreement, and also into three “pillars”:

- pillar 1: providing a durable but responsive constitutional settlement for the governance of Scotland
- pillar 2: delivering prosperity, a healthy economy, jobs, and social justice
- pillar 3: strengthening the financial responsibility of the Scottish Parliament¹⁴

The Agreement was intended to embody a brokered position on which draft legislation could be based. As the Commission had representatives of all five parties in the Scottish Parliament, the SNP, Labour, Liberal Democrats, Conservatives and Greens, it was hoped that the Agreement could provide a relatively strong foundation, but naturally this also entailed that each party had to give up some favoured positions.

Lord Smith argued that the new powers recommended by the Commission would make devolution “more responsive, durable and stable”.¹⁵ He claimed that enhanced powers would strengthen the Scottish Parliament’s ability “to pursue its own vision, goals and objectives,” and would be accompanied by greater responsibility and accountability. Significantly more spending would come from tax raised in Scotland, although the Barnett-based block grant would remain. There would also be increased borrowing powers.

The main points of the Agreement include:

- UK legislation to make the Scottish Parliament and Government permanent
- A statutory basis for the Sewel Convention (that the UK Government does not normally invite Parliament to legislate on devolved matters without consent of the devolved legislature)
- Income tax will remain shared between the UK and Scottish levels. However, the Scottish Parliament will be able to set rates and thresholds, although the personal allowance will remain reserved

¹³ *The parties further proposals on further devolution for Scotland*, Cm 8946, 13 October 2014.

¹⁴ *Report of the Smith Commission for further devolution of powers to the Scottish Parliament*, 27 November 2014, p12

¹⁵ *Report of the Smith Commission for further devolution of powers to the Scottish Parliament*, 27 November 2014, p4

- The Scottish Government will receive all Scottish income tax on non-savings and non-dividend income, with a corresponding adjustment to the block grant
- The receipts from the first 10 percentage points of standard rate VAT raised in Scotland will be assigned to the Scottish Government's budget, with a corresponding adjustment to the block grant
- Additional borrowing powers should be agreed between the two governments to protect public spending against the volatility of tax revenues, and to allow capital investment
- Devolution, or greater devolution, of:
 - air passenger duty and, once legal issues have been resolved, aggregates levy
 - powers over elections to the Scottish Parliament and local authorities, including enfranchising 16 and 17 year olds
 - powers over the composition of the Scottish Parliament, although a two-thirds majority would be used for changes to the franchise, electoral system and balance of regional vs constituency members
 - responsibility for the Crown Estate in Scotland, including further devolving its management to local authority areas in Orkney, Shetland and similar places
 - some aspects of Universal Credit, although it remains a reserved benefit
 - responsibility for a range of other benefits, including those for carers, disabled people and the sick, and those which comprise the Regulated Social Fund
 - ability to create new benefits in areas of devolved responsibility
 - responsibility for employment support as currently delivered through the Work Programme and Work Choice
 - management and operation of most reserved tribunals
 - a range of transport matters, including the power to allow public sector operators to bid for rail franchises funded by Scottish Ministers
 - powers to determine supplier obligations on energy efficiency and fuel poverty
 - licensing of onshore oil and gas extraction
 - consumer advocacy and advice
 - power to prevent the proliferation of payday loan shops and fixed-odds betting terminals
- Discussion of the possibility of devolving abortion, xenotransplantation and bioethical matters such as genetics
- A strengthened role for Scottish Ministers in UK representation at the EU

- New machinery for inter-governmental and inter-parliamentary relations
- A formal consultative role
 - in reviewing the BBC Charter
 - in overseeing OFCOM
 - in setting the priorities for the Maritime and Coastguard Agency and the Northern Lighthouse Board
 - in designing renewables incentives and the priorities for OFGEM

The report also drew attention to some policy areas which did not involve further devolution, but in which work between the two governments might progress, such as food labelling, asylum seekers, retention of fines etc imposed by Scottish courts, and a review of the Health and Safety Executive in Scotland.

2.7 Command paper: January 2015

On 22 January 2015 the UK Government published the promised proposals for further devolution in the form of a Command Paper, entitled *Scotland in the United Kingdom: An enduring settlement*¹⁶, which contains draft clauses for a legislative settlement.

The Command Paper provides a detailed explanation of the draft legislation clauses, and relates each of these to the relevant paragraphs in the *Smith Commission Agreement*. The Command Paper is grouped into subject areas:

- Constitutional matters
- Fiscal framework
- Tax
- Welfare
- Public bodies, executive agencies and The Crown Estate
- Civil protections and advice
- Transport
- Energy

Under each subject area an explanation is also provided of the current position on devolved and reserved powers.

In addition to the specific proposals set out in the Smith Commission Agreement a number of topics were recommended for further consideration. These are mentioned in the *Next Steps* chapter of the Command Paper as:

- These cover a broad range of issues, encompassing: country of origin food labelling; food levies; student visas; temporary rights for victims of human trafficking; certain powers relating to asylum seekers; Jobcentre Plus, abortion;

¹⁶ *Scotland in the United Kingdom: An enduring statement*, Cm 8990, 22 January 2015.

medicines; veterinary medicine; healthy food schemes; poisons; health and safety; and fines, forfeitures, fixed penalties and proceeds of crime.¹⁷

The Next Steps chapter also sets out the process which will be followed by the two Governments:

The draft clauses presented in this command paper represent the fulfilment of a promise made to the people of Scotland. However, the steps towards a stronger and enduring constitutional settlement do not end here. The next session of the United Kingdom (UK) Parliament will see these clauses brought forward in a new Scotland Bill. In order for the Bill to be ready the coming months will see work to further refine the clauses, to consider questions of commencement and consequential amendments to other legislation, and to prepare the documents that usually accompany a Bill on introduction. Beyond the clauses, vital work is already taking place to ensure that Scotland's two governments and parliaments deliver successfully for people in Scotland.¹⁸

There is also an undertaking about an engagement and information campaign, to explain the proposals and the implementation process:

9.4.2 The UK Government will continue this through an engagement programme, which will enable the public and stakeholders to engage with the Government on issues associated with the devolution settlement and submit questions or comment. This activity will assist with the process of refining the draft clauses to make them ready for introduction in Parliament, whilst recognising that the Smith Agreement records the agreement reached by Scotland's five main parties. This process will also assist the preparation of the other documents that will need to accompany the Bill, such as the Impact Assessment.

9.4.3 Organisations and individuals are invited to send their thoughts on the draft clauses to draftlegislationcomments@scotlandoffice.gsi.gov.uk.

9.4.4 The engagement programme will include a public information campaign in Scotland aimed at providing information about the current devolution settlement and how it is changing, both through the 2012 Act and the Smith Agreement.

9.4.5 Future engagement will build on the contribution of the stakeholder group of representative bodies from across Scotland, which was established to support the preparation of the draft legislation. There will also be bilateral engagement with stakeholders on specific provisions that are of interest to them, and the Government will seek to bring together a wide forum of stakeholders to ensure that the clauses are given full consideration ahead of introduction.

The Command Paper was presented to the UK Parliament with a ministerial statement on 22 January 2015, by the Scotland Office minister David Mundell. It was also launched in Scotland by the Prime Minister and the Scotland Secretary, Alistair Carmichael.

The Scottish Government made an initial statement which expressed some disappointment in the proposals. The First Minister, Nicola Sturgeon, stated:

¹⁷ Ibid Para 9.3.1

¹⁸ Ibid Para 9.1.1

...aspects of the legislation represented progress but proposals in areas such as welfare, employment support and capital borrowing appeared to be a “significant watering down” of what was promised by the Smith Commission.

The First Minister highlighted three key areas that must be addressed immediately by the UK Government if the legislation is to meet the spirit and the content of the agreement set out by Lord Smith:

The welfare provisions do not enable the Scottish Parliament to create new benefit entitlements across devolved areas and require the approval of UK ministers for any changes to Universal Credit – including the action needed to end the bedroom tax.

Proposals for the full devolution of unemployment support fall well short of what was promised, hampering efforts to address joblessness by devolving only a section of the current support network and leaving important levers in the hands of UK ministers.

Scotland would be tied to the UK’s current austerity fiscal framework, and under the plans set out could see capital borrowing powers replace - and not augment - the existing capital grant.¹⁹

Further briefings on the draft legislation proposals will be published by the Commons Library.

3 Previous proposals of each party

Prior to summer 2014, the three parties had made proposals on further devolution for Scotland. This section attempts to summarise the work of each party.

3.1 Conservative Party

On 26 March 2013, Ruth Davidson, leader of the Scottish Conservatives, made a speech at The Royal Society, in which she committed her party to a review of every power held by the UK Government and to subject them to these tests:

The first is to examine those domestic powers currently held by the Westminster parliament and assess objectively whether they are best retained in Whitehall or devolved to the Scottish Parliament.

In reaching an assessment of each power, we will subject it to a series of tests.

Would its devolution reinforce or weaken the place of Scotland within the United Kingdom?

Would it strengthen the accountability of the Scottish Parliament to the people of Scotland?

Would it preserve the benefits Scotland gains from being part of UK-wide systems?

Would it improve the quality of the government of Scotland?

Would the decision-making be improved if taken as close as possible to the individual citizens directly affected?²⁰

¹⁹ [Smith clauses give Westminster Government veto in key areas](#), Scottish Government Press Release, 22 January 2015.

²⁰ [Strengthening devolution, taking Scotland forward](#), Press release, Scottish Conservatives, 26 March 2013,

In the same speech, Ruth Davidson also announced the establishment of a Party working group on this topic:

To take this review forward, I have established a working group to examine specifically the question of strengthening devolution and the accountability of the Scottish Parliament by examining its structures and extending its powers over taxation.

The working group will be chaired by Lord Strathclyde who, as a former Scottish Office Minister and Leader of the House of Lords, brings a wealth of experience at the highest levels of government.

Tom will be joined by two of my MSP colleagues; former leader of our party, Annabel Goldie, and former Presiding Officer of the Scottish Parliament, Alex Fergusson.

Independent advice will be given by two leading constitutional experts; Alan Trench, an honorary fellow in the School of Social and Political Science at Edinburgh University, and Professor Adam Tomkins, John Millar Chair in Public Law at the University of Glasgow's Law School.

And in due course we will announce further expertise from outside the political and constitutional arena, from business and civic Scotland.

The working group was formally entitled The Commission on the Future Governance of Scotland, but generally known as the Strathclyde Commission. The Commission published its report on 2 June 2014.²¹ Key recommendations included:

Finance

The Scottish Parliament should become responsible for setting rates and bands of income tax throughout Scotland.

A new Scottish Fiscal Commission should be created independent of Government, and should be charged with producing official macroeconomic and fiscal forecasts in Scotland.

Scottish versions of the Personal Tax Statements should be issued by HMRC, highlighting taxes under the control of the Scottish Parliament.

The *Scotland Act 2012* devolved to the Scottish Parliament the duty to set a Scottish rate of income tax. The Scottish Parliament can only choose a single rate which will be applied to all the UK rates; it would not be able to set a different rate to apply to higher rate taxpayers, for example. Second, all elements of the income tax structure such as thresholds, allowances, and the rates which apply in the rest of the UK remain the responsibility of the UK Government.

The Strathclyde Commission proposals took this further. In its report it commented:

Conferring on the Scottish Parliament as much freedom as possible with regard to the setting of income tax rates is a bold move. It is a huge step in the development of the Parliament's powers. And that we are proposing it without reservation is a sign of our confidence in the maturity of the institution.

²¹ Scottish Conservatives, [Commission on the Future Governance of Scotland](#), May 2014.

The definition of income would remain consistent across the UK. The UK government would retain the right to set allowances such as the personal allowance.

The Commission pointed out that devolution of VAT is unlawful under European law, but it recommended that there should be consideration of the case for a share of the VAT receipts raised in Scotland being assigned to the Scottish Parliament.

The Strathclyde Commission also recommended that Air Passenger Duty should be devolved and asserted that there would be no need for primary legislation to effect this change. Further devolution of taxes was anticipated in the *Scotland Act 2012* and can be carried out by Order in Council, if agreed by both UK and Scottish governments.

The Commission recommends that the new body, the Scottish Fiscal Commission, should be set up as independent of the Scottish Government and the Scottish Parliament. Work on creating this body is already under way and has been examined by the Scottish Parliament Finance Committee and endorsed by the Scottish Government.²² Legislation to establish the Fiscal Commission has not yet been introduced, but the Scottish Government has made a commitment to establish this on a statutory basis:

75. The Committee also welcomes the commitment to bring forward legislation to establish the SFC on a statutory basis and invites the Scottish Government to consider the findings of this report in drafting the Bill and in drawing up the interim measures for the operation of the SFC.

The Scottish Government accepts this recommendation and will keep the Finance Committee informed of progress in developing interim arrangements and in preparing to draft a Bill.

Social security

The Strathclyde Commission recommended that the state pension should not be devolved and should remain with the UK government. But the Commission did recommend greater flexibility in allowing the Scottish Parliament to supplement existing welfare benefits set at UK level. Also where a particular benefit was closely related to a devolved policy area, the Commission believed there was a case to devolve responsibility for the benefit. Examples cited were housing benefit and attendance allowance.

Parliament and Government

The Strathclyde Commission recommended that:

New rules should be considered by the Scottish Parliament to improve legislative scrutiny with stronger checks and balances without a Second Chamber – for instance providing for Chairs of key Committees to come from the Opposition....

The centralisation of powers from local to central government should be reversed and real devolution should be given to individuals with a greater role for civic society and local government.

Whilst the Commission stated that it was not part of its remit to offer detailed proposals on local government in Scotland it did make three specific proposals for further localism:

²² [Scottish Government response to Finance Committee Report](#), SP466 , 24 April 2014.

Consideration of Scotland's constitutional future must embrace devolution and decentralisation within Scotland, as well as Scotland's relationship with the rest of the United Kingdom.

Initiatives such as City Deals, enhanced local accountability of public services and public servants, and other means of revitalising local democracy are essential to good governance in Scotland.

Powers over matters such as planning controls should be driven down to the lowest possible level of community government.

The Commission did not recommend any change in the composition of the Scottish Parliament, nor in the numbers of MSPs. Rather the Commission made a number of suggestions for changes to procedures within the Parliament, relating to parliamentary questions and to the election of certain Committee Chairs.

The Commission commented that while inter-governmental relations had been mostly successful since the passing of the *Scotland Act 1998*, relations between the Parliaments were in its view unsatisfactory. Apart from the workings of the Sewell Convention (where the Scottish Parliament gives formal consent for Westminster to legislate on devolved matters),²³ the Commission felt that there were not enough formal relations between the legislatures. To counter this the Commission recommended:

A Committee of all the Parliaments and Assemblies of the United Kingdom should be created to consider the developing role of the United Kingdom, its Parliaments and Assemblies and their respective powers, representation and financing.

The Strathclyde Commission acknowledged that this had also been a recommendation of the Calman Commission (Commission on Scottish Devolution) in 2009.²⁴ But the Strathclyde Commission did not make any further proposals for the procedures or powers of such a Committee.

The Strathclyde Commission commented that the brief it had been given was to focus on Scotland, rather than relations between the administrations of the UK. It urged the UK Government to explore the recommendations of the McKay Commission (Commission on the consequences of devolution for the House of Commons)²⁵ on the impact of devolution upon Westminster and to resist any changes which would create Scottish, Welsh or Northern Irish MPs as second class at Westminster.²⁶

In welcoming the report of the Strathclyde Commission, Ruth Davidson stated:

The Strathclyde Commission puts forward a radical plan to give Holyrood full powers to raise all its own income tax.

It also sets out a number of other fiscal and welfare measures to suit Scotland's particular needs and strengthen its position within the UK....

After 15 years of devolution, it is now time for a mature Parliament that is more accountable for the cash it spends....

²³ See Commons Library Standard Note SN/PC/2084, *The Sewel Convention*, 25 November 2005.

²⁴ Commission on Scottish Devolution, *Serving Scotland Better: Scotland and the United Kingdom in the 21st century*, Final report, June 2009.

²⁵ Commission on the consequences of devolution on the House of Commons, *Final report*, March 2013.

²⁶ See Commons Library Standard Note SN/PC/6821, *The Mackay Commission*, 17 February 2014.

We believe decision makers should focus on where government money comes from as well as how it's distributed...

But we are committed to going beyond that and devolving substantial new powers to the Scottish Parliament.

People across Scotland can now see that a 'No' vote in September will allow devolution to develop, while the SNP's plans kill devolution stone dead.

These proposals for new powers for Scotland will inform our 2015 General Election manifesto.²⁷

3.2 Labour Party

The Scottish Labour Devolution Commission was established by the Scottish Executive Committee, following the election of Johann Lamont as Party Leader in 2012. The Commission began to meet in November 2012 and was given responsibility for:

Scope – reviewing the current devolution settlement, and, in light of experience, recommending evidence-based changes to the present constitutional arrangements that enable Scotland to become a fairer, more equitable country; considering the role of local government within the current devolution settlement and how we can make it more open and effective; further improving the accountability of all levels of government and at the community level; and securing the position of Scotland as a strong and integral part of the United Kingdom.

Engagement – seeking the views of members of the Scottish Labour Party, its affiliated organisations and a wide and diverse range of interested individuals and organisations from across Scotland.

Output – producing an interim report to the Scottish Labour conference in spring 2013; and producing a final report to the Scottish Labour Party thereafter that recommends a coherent, evidence-based package of measures to enhance devolution and better serve people in Scotland.

Capability – ensuring the Commission has the capability to deliver and to plan to meet current and future needs.

The Commission met regularly, established subsidiary workstreams to examine specific areas and commissioned academic research to inform its work. The Devolution Commission published an interim report in April 2013.²⁸

The Commission continued with its work and produced a final report in March 2014.²⁹

Reservations

The Commission argued in favour of retaining reserved powers in certain areas: it did not favour maximal devolution. Reservations it favoured included foreign affairs, defence, the constitution, pensions and most cash benefits, financial and economic matters, immigration, betting, illegal drugs, broadcasting, the civil service, abortion and medical science such as xenotransplantation and embryology.

²⁷ Scottish Conservatives, [News release](#), 2 June 2014

²⁸ Scottish Labour Devolution Commission, [Powers for a purpose-Strengthening accountability and empowering people](#), Interim report, April 2013.

²⁹ The Executive Summary is available [here](#).

Parliament and Government

The Commission favoured adding a constitutional entrenchment of the Scottish Parliament, so that it could not be abolished, and putting the Sewel Convention, whereby the Government does not normally invite Parliament to legislate on devolved matters without the consent of the Scottish Parliament, on a statutory basis. It also recommended devolution of the administration of the Scottish Parliament electoral system.

Tax and funding

On tax, the Commission argued for a larger reduction in the UK rate of income tax applicable in Scotland (15p instead of 10p as planned in the *Scotland Act 2012*) and for the Scottish Parliament to be allowed to apply higher rates in the higher tax bands. Under the *Scotland Act 2012* the Scottish Parliament may add its own tax rate on top of the reduced UK rate, but it must do so by the same amount for each band (known as the “lockstep”). In order to increase progressivity of the tax system, the Commission saw value in allowing variation at the upper end of the scale. The Commission also emphasised a continuing role for the Barnett formula and the block grant to shore up aspects of the UK social union such as health and education.

The Commission argued that:

the key issue in relation to further devolution is how the Scottish Parliament should be funded. At the moment, it has very wide spending powers but little tax responsibility. This will change in 2016 with the partial devolution of income tax. In our considered view, there is indeed scope to go further on tax devolution, although this must always be balanced by UK grant, so that tax revenues are shared across the UK to ensure a decent level of public services and key social rights across the UK on an equitable basis. This too gives effect to social solidarity. Setting the right balance between devolved taxation and central UK support is more a matter of judgement rather than precise arithmetic. It is right that UK resources should be sufficient to secure key UK social rights such as health and education. Since health and school education consume over half the Scottish Budget that suggests a figure of roughly 60 per cent in grant. To provide the remaining resources, as we argued in our interim report, there is scope to enhance the autonomy and accountability of the Scottish Parliament through an extension of tax powers.³⁰

The Commission recommended:

- Labour will give the Scottish Parliament the power to raise around £2 billion more in revenues beyond the recent Scotland Act, so that it raises about 40 per cent of its budget from its own resources.
- We will do this by widening the variation in income tax in the Scotland Act by half from 10p to 15p.
- This will mean that three-quarters of basic rate income tax in Scotland will be under the control of the Scottish Parliament.
- increase the rates of tax in the higher and additional bands. For the first time, the Scottish Parliament will be able to alter both the level of tax and the progressivity of the tax system, but without the risk that a Scottish Government could force tax competition within the UK by cutting only the top rates, to the detriment of public

³⁰ Scottish Labour Devolution Commission, *Final Report: Executive Summary*, March 2014, p5

services. Labour in the Scottish Parliament would be able to use these powers if a UK Government did not set fair taxes at these levels.

- Our interim report considered whether there was scope for devolution of air passenger duty, subject particularly to EU rules. We received a number of considered representations, and continue to note that departures from Highlands and Islands airports are already exempt from this tax. Given the pressure to reduce this tax from airlines and others and the risk of tax competition which would be created, we are not now convinced that devolution should be progressed until further consideration is given to the environmental impact and how else this tax might be reformed.
- We concluded that, for a variety of good reasons, VAT, national insurance contributions, corporation tax, alcohol, tobacco and fuel duties, climate change levy, insurance premium tax, vehicle excise duty, inheritance tax, capital gains tax and tax on oil receipts should remain reserved. However we do support, in principle, a derogation to allow a lower rate of fuel duty to be charged in remote rural areas of the Highlands and Islands.
- As we made clear in our interim report, the Barnett formula should remain as the funding mechanism for public services in Scotland. Under our proposal, as is the case under the Scotland Act, the Barnett grant will be reduced to take account of the fact that the Scottish Parliament will have a revenue stream of its own. As a result the Scottish Parliament will be funded partly by grant calculated under the Barnett formula and partly by its own resources – principally Scottish income tax payers.³¹

Welfare and employment

On welfare, the Commission favoured reserving what it regarded as basic elements of the social union, including state pensions, the contributory elements of jobseeker's allowance and of employment and support allowance, maternity allowance, bereavement benefits and incapacity benefit. It also saw an argument for reserving non-contributory benefits where these were redistributive, such as the non-contributory elements of employment and support allowance. It recommended devolving housing benefit and attendance allowance.³²

On wider matters of employment, welfare and consumer rights, the Commission recommended establishing a Scottish Health and Safety Executive to oversee and prioritise the implementation of framework regulations that would themselves be reserved, devolving the operation of employment tribunals and the enforcement of equalities legislation, and creating a "Scottish model for the delivery of consumer advocacy and advice".³³

The Commission also called for "partnership arrangements" between the two parliaments and governments where their responsibilities overlapped, and considered that there was a strong case for putting these on a statutory basis. This would include responsibilities to protect civil and political rights, or to promote welfare and full employment.

The Commission recommended devolving certain railway powers to allow consideration of a not for profit model for the Scotrail franchise.

³¹ Ibid, p6

³² Ibid, p7

³³ Ibid, p8

Localism

Finally, the Commission made a large number of recommendations on local government. This was aimed not only at offsetting centralisation to Whitehall/Westminster, but also at reversing certain SNP policies within Scotland. Ideas included:

- Devolving to local authorities the responsibilities currently held by Skills Development Scotland to match skills to local job markets.
- Adopting principles of double devolution and subsidiarity (in other words, passing responsibility to local government unless there is a strong case to take action at a central level).
- Changes to the relationship with Shetland, Orkney and the Western Isles, including a greater local role in planning and consent over inshore marine resources, development of renewable energy with local participation, securing the future of inter-island transport, exploring ways to bring greater local economic benefit from renewable resources and fishing, and a more integrated approach to economic development and service delivery in the islands.
- Giving local authorities greater scope to influence economic development, including tax increment funding and tourist levies.
- Creating agreements between local authorities and the Crown Estate to improve community engagement, and promoting a default assumption that the seabed and foreshore should be managed by local authorities or communities on a lease basis from the Crown Estate. This would be supported by a Memorandum of Understanding between the Crown Estate and the Scottish Government.
- Promoting a cooperative council model to support service delivery by cooperatively run companies.
- Flexible powers on compulsory purchase to enable regeneration of town centres.³⁴

Gordon Brown has an adjournment debate on 16 October on [UK Government's relations with Scotland](#). On 15 September he said:

Brown said: Last Monday, I proposed a timetable for new powers for a stronger Scottish Parliament within the UK, which all the pro-devolution parties in Westminster and Holyrood agreed with.

I have now been allocated an adjournment debate in the House of Commons for Thursday, October 16, which will set in motion our promise of delivering new powers to the Scottish Parliament.³⁵

3.3 Liberal Democrats

The Scottish Liberal Democrats created a Home Rule and Community Rule Commission under the Chairmanship of Sir Menzies Campbell. This issued its first report in October 2012, in which it called for federalism across the UK as the best option for the future of Scotland. The Commission called for “a strong set of powers for the Scottish Parliament and the means by which political power can, in turn, be distributed to communities across Scotland through

³⁴ Ibid, p14.

³⁵ [Gordon Brown names the date for Commons debate on increased powers for Scottish Parliament](#), Daily record, 15 September 2014.

the principles of localism.”³⁶ In March 2014 it issued a second report, known as Campbell II, in which it sought to establish common ground among political parties and others before the referendum, and to provide a basis to bring people together after it, in the event of a No vote. The report did not go into great detail on specific policy areas, in view of its pursuit of consensus.

The report made some overarching recommendations:

Recommendation 1: The Queen's Speech of 2015 should include provisions to strengthen the powers of Scotland within the United Kingdom.

Recommendation 2: Led by the Scotland Office, the UK Government should begin an analysis of the options available to enhance the powers of the Scottish Parliament to implement the consensus set out in this report.

Recommendation 3: The Scottish Government should undertake that the research and knowledge acquired by civil servants in Scotland in preparation for the referendum will be available to inform the proposals set out in this report.

Recommendation 4: The Scottish Parliament should resolve to ensure that the independent fiscal body to be established to support the 2012 Act tax powers is designed to be able to cope with all further financial power legislated for it after a No vote.

Recommendation 5: The Secretary of State for Scotland should convene a meeting after the referendum, within thirty days, where parties and wider interests can meet. Its aim should be to secure a consensus for the further extension of powers to the Scottish Parliament consistent with continued membership of the United Kingdom and to be included in party manifestos for the 2015 general election.

Recommendation 6: Political parties should include commitments in their manifestos for the election due in May 2015 that reforms affecting Scotland will be included in the Queen's Speech which follows the election.

Recommendation 7: The necessary changes to tax powers should be made through a further Scotland Act. The entrenchment of the Scottish Parliament can be achieved by a resolution in favour of a statute in both Holyrood and Westminster. The Scottish Parliament should have a role in establishing its permanence.³⁷

The Commission aimed to preserve several “unions”, drawing on views expressed by Gordon Brown among others. These included unions in welfare, economy/trade, resources, defence and security, the environment, and social bonds. It added an energy union, an international union (broadly speaking, diplomacy and UK global reach), and a currency union. These provided an over-arching framework for the other proposals.

The Commission repeated proposals from its first report on tax. This included devolution of both rates **and** bands of income tax, capital gains tax, inheritance tax and air passenger duty. This would, it argued, give the Scottish Parliament about 60% of its budget, while preserving the single market and the welfare union.

It gave the following account of the substance of the consensus that it argued had developed across parties:

³⁶ *Campbell II, The second report of the Home Rule and Community Rule Commission*, Scottish Liberal Democrats, March 2014, p3

³⁷ *Ibid*, p5

The contributions made by political figures, think tanks, civic organisations and academics, allows it to be said that a consensus has formed around two propositions:

1. That the Scottish Parliament's financial powers should be expanded so that it is responsible for raising the taxes to pay for the majority of its spending;
2. That the Scottish Parliament should be entrenched permanently, in Gordon Brown's word, "indissoluble".

To those who have still to publish and agree their proposals, these aims show where the consensus can be built.

These two fundamental propositions are entirely normal in federal systems around the world. Indeed they represent essential federal characteristics of such systems. They can be secured for Scotland's relationship with the rest of the UK now, allowing other constituent parts of the United Kingdom to adopt them should they choose to do so.³⁸

On 8 September 2014 the Liberal Democrats published their Pre-Manifesto for the UK 2015 General Election. In it they made these commitments:

7.1 A decentralised but United Kingdom

We believe that too much power remains concentrated in Westminster. We need to transfer power from Westminster and Whitehall to the nations of the United Kingdom.

In Scotland we will:

Take forward the recommendations of the Campbell Commission on fiscal federalism for Scotland, including powers to raise the majority of the money it spends, not least through control of the taxes on incomes and wealth, and assigning to Scotland corporation tax receipts from Scottish businesses.

Give greater control over social protection, for example through the power for Holyrood to deliver the Work Programme.

Begin work on agreeing next steps for Home Rule immediately after a "No" vote in the independence referendum. Ultimately, we recognise that transferring powers to Scotland has always been a consensual process involving supportive political parties and those from outside politics finding common agreement. That means:

- The Secretary of State for Scotland inviting the political parties to a Conference on Scotland where they will discuss areas of agreement and how they can work together and with others.
- Appointing an individual in government to engage with business, the voluntary sector and others to understand their plans for decentralisation and powers.
- The UK government stress-testing the options and ideas put forward by those who want more powers.³⁹

³⁸ Ibid, p9

³⁹ *Pre-Manifesto 2014: A stronger economy and a fairer society*, Liberal Democrats, September 2014.

3.4 How do the approaches of the ‘unionist’ parties compare?

The political parties supporting the continuation of the current United Kingdom carried out preparatory work on what might be the alternative offering to independence. Although there have been joint declarations, there are also differences of philosophy and desired outcomes.

The Conservative Party Strathclyde Commission final report states that:

Empowering the Scottish people to shape Scotland within the security of a United Kingdom sits at the very heart of what it means to be a modern Scottish Conservative. Everything we propose in this report is aimed at strengthening our ties and reinforcing our relationships.

The broad principle put forward is that devolution is a positive development and this can be interpreted as a flexible way for the Union to evolve politically and constitutionally. This is depicted as part of a long tradition of Conservative views on Unionism. This was a marked change from earlier Conservative party reservations on devolution. The main failing of devolution to date is identified as that the Scottish Parliament is responsible for raising “only a fraction” of the money it has responsibility to spend. This is referred to as the ‘fiscal gap’. A strong principle set out in the Conservative report is that this should be changed in the future development of devolution. The pro-Unionist parties should also do more to ensure that the Scottish people understand the full powers of the Scottish Parliament.

The Labour Party took an academic approach to considering the future and The Devolution Commission produced two large and very wide-ranging reports. The titles of these were *Powers for a purpose*, and that is the overriding message set out in the introductory statements. The end result of devolution, within the Union, is set out as creating a sharing union which is a form of social justice between the nations. Devolution since 1999 is praised as working well for the whole UK and the pooling of risks and resources has produced an average income in Scotland little different from that of England. This redistributive effect is a key principle which Labour wants to take forward into extended devolution.

The Liberal Democrats have stated that the UK is capable of further change and reform, across many locations. Their view is that federalism is the best way forward for the union. They have sought to achieve a process of consensus across the main political parties, and through a number of other campaigning groups. Their position is that the proposals most widely accepted should be enacted as quickly as possible, and that a fundamental review of the constitutional position of the whole United Kingdom is required.

3.5 Scottish National Party

The SNP have not set out any of their possible proposals for further devolution since the start of the process of the independence referendum in 2012.

In a consultation document published in 2009, the SNP Scottish Government set out a number of options on constitutional future:

2.1 Devolution was never intended as a fixed arrangement: it was and is a process which should respond to political, economic and social circumstances over time to ensure that Scotland is well-positioned to address the challenges it faces and take advantage of opportunities. Nor does devolution need to be Scotland's final constitutional destination....

2.4 This paper covers many of the most important policy areas which would be affected by different constitutional arrangements. However, it is not exhaustive:

it focuses on those areas where new constitutional arrangements, whether full devolution or independence, would provide the greatest opportunities to develop Scotland-specific approaches to particular issues.¹⁶ It also discusses significant areas of Scottish life which are already largely devolved, such as health, education and justice. The achievements in these areas since devolution illustrate the potential for Scotland to tackle its problems and promote its successes with the right responsibilities and opportunities.

FULL DEVOLUTION

2.10 Under full devolution the existing devolution framework would be retained, and Scotland would remain within the United Kingdom. The United Kingdom Government and institutions would continue to have responsibility for many matters, for example the currency and monetary policy, and decisions on peace and war. Full devolution would give Scotland more responsibility for domestic matters, and would extend the range of measures the Scottish Government and the Scottish Parliament could take to encourage greater sustainable economic growth. Nonetheless, there would be continued interaction with matters reserved to the United Kingdom, for example foreign affairs, defence, macroeconomic policy, some taxation and, possibly, social protection and pensions. Existing areas of disagreement would continue. Improved inter-governmental relations, including enforceable principles of parity of esteem, would be required for Scotland to get the most out of its increased responsibility.⁴⁰

In 2010-12 the Scottish Government made proposals for amendments to the *Scotland Bill* then going through the UK Parliament and being considered in the Scottish Parliament for a Legislative Consent Motion. The Scottish Government set out their main proposals for change as:⁴¹

- Better borrowing powers;
- Devolution of corporation tax;
- Devolution of excise duty;
- Devolution of the management and revenues of the Crown Estate in Scotland;
- Greater responsibilities in broadcasting;
- Guaranteed place in EU meetings.

The SNP had also set these as priorities for amending the Scotland Bill in its manifesto for the Scottish Parliament elections in 2011.⁴² In the event, a package of changes to the Bill was agreed with the UK Government, which did not include all of the SNP's proposals.

4 Commentary

The Commons Political and Constitutional Reform Committee took evidence from the Nick Clegg on 10 September 2014, as part of their regular review of the work of the Deputy Prime Minister. During the questioning the Deputy Prime Minister was asked to list the key additional powers proposed for Scotland. He was also asked about potential impacts on

⁴⁰ Scottish Government, *Your Scotland, Your Voice: A national conversation*, November 2009. ,

⁴¹ [Legislative Consent Memorandum](#), Scottish Government, 21 March 2012

⁴² [Re-elect a Scottish government, working for Scotland](#), SNP election Manifesto, September 2011.

other parts of the UK of further devolution. Nick Clegg indicated that each party had its own separate views. He also made clear that future constitutional change would not relate only to Scotland, but would lead to a much wider “rewiring of governance and constitutional arrangements in the country as a whole” and particularly on England which he described as “an unusually over centralised country.”⁴³

On 9 September the Committee also announced a new inquiry on the future of devolution after the Referendum. The Chair of the Committee, Grahame Allen stated:

The consequences for our democracy of next week’s referendum—whether it is a yes or a no vote—will be examined by the Select Committee and a report issued to Parliament and the public. The inquiry is likely to include a consideration of the need for the levels of devolution being offered to Scotland to be offered to England, Wales and Northern Ireland, a written constitution to entrench that settlement, and other matters that will require an immediate view from Parliament.

We are living through very exciting times for our democracy and I am keen to seize this chance to consider the future of devolution. My own view is that if it’s good enough to offer to Scotland, it’s good enough for England, Wales and Northern Ireland.⁴⁴

The Institute for Government is conducting a research project on Governing after the referendum. In July 2014 two seminars were held at its London headquarters where unionist and pro-independence parties set out their vision for the future, with public discussion.⁴⁵

Reform Scotland, a think tank, has been conducting a Devo Plus project for several years. In June 2014 it published a report giving a critique of the figures in both the unionist and nationalist parties’ proposals, and setting out the Reform Scotland suggestions.⁴⁶

On 24 June 2014 the House of Lords held a debate on Scottish independence.⁴⁷ This was formally to take note of the report of the Lords Constitution Committee on Scottish independence.⁴⁸ The Committee report looked mainly at the impact of a yes votes, and so the Lords debate also concentrated on that, but there was some discussion of potential further devolution. The House of Lords Library prepared a Library Note to accompany the debate, which also contained some commentary on devolution possibilities.⁴⁹

Most of these reports were published before the multi-party undertaking on timetable for progress, which was published on 9 September 2014.

In September 2014, the Institute for Government published a report examining future constitutional scenarios for Scotland and the UK, including those from the political parties and some other proposals. The report includes a scenarios map, which shows the proportion

⁴³ Political and Constitutional Reform Committee, *Work of the Deputy Prime Minister 2014*, Oral Evidence, 9 September.

⁴⁴ Political and Constitutional Reform Committee, *New inquiry: future of devolution after the referendum*, Press release, 9 September 2014.

⁴⁵ *Scotland in a changing UK: Unionist visions for further devolution*, Institute of Government, 1 July 2014. *Scotland in a changing Union: ensuring effective cooperation*, Institute of Government, 16 July 2014.

⁴⁶ Ben Thomson et al, *Scotland’s Future: the constitutional report card*, Reform Scotland, June 2014.

⁴⁷ *HL Deb 24 June 2014 2014*, col 1139

⁴⁸ Lords Select Committee on the Constitution, *Scottish independence: constitutional implications of the referendum*, 16 May 2014, HL 188, 2013-14.

⁴⁹ House of Lords Library, *Referendum on Scottish independence*, LLN 2014/020.

of tax and spending within devolved areas which would be controlled by devolved institutions (p12, figure 1). This modelling also looks at the impact on Government departments and policy implementation of various outcomes.⁵⁰

⁵⁰ Paun, Akash et al, *Governing after the referendum: future constitutional scenarios for the UK*, Institute for Government, September 2014.