



The Scottish Parliament  
Pàrlamaid na h-Alba

## FINANCE COMMITTEE

### AGENDA

**15th Meeting, 2009 (Session 3)**

**Tuesday 2 June 2009**

The Committee will meet at 2.00 pm in Committee Room 4.

1. **Marine (Scotland) Bill:** The Committee will take evidence on the Financial Memorandum of the Marine (Scotland) Bill from—

Phil Alcock, Policy Officer, Marine Biodiversity Policy & Sustainable Management Branch, Wendy Geary, Marine Strategy Branch, David Palmer, Branch Head, Marine Strategy Branch, and Linda Rosborough, Deputy Director, Marine Planning and Policy, Scottish Government;

Dr Gordon Barclay, Head of Policy, Historic Scotland.

2. **Decision on taking business in private:** The Committee will decide whether its consideration of a draft report on the Financial Memorandum of the Marine (Scotland) Bill at a future meeting should be taken in private.
3. **Strategic budget scrutiny inquiry (in private):** The Committee will consider a draft report.

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The papers for this meeting are as follows—

**Agenda item 1**

PRIVATE PAPER

FI/S3/09/15/1 (P)

Submissions

[FI/S3/09/15/2](#)

Members should bring with them the Marine (Scotland) Bill and accompanying documents, which were originally issued for the meeting on 5 May. The Bill and accompanying documents can also be found on the Parliament's website, at: <http://www.scottish.parliament.uk/s3/bills/25-MarineScot/index.htm>

**Agenda item 3**

PRIVATE PAPER

FI/S3/09/15/3 (P)

**Finance Committee**

**15th Meeting, 2009 (Session 3), Tuesday 2 June 2009**

**Marine (Scotland) Bill**

**Submissions**

Submissions have been received from the following organisations—

- Angus Council;
- Argyll and Bute Council;
- Dumfries and Galloway Council;
- Highland Council; and
- Shetland Islands Council.

SUBMISSION FROM ANGUS COUNCIL

1. *Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?*

The Council responded to the consultation document "Sustainable Seas for All" by submitting Report No 901/08. Within that report, mention was made of the fact that the document recognised the substantive costs involved in setting up the new national marine management organisation, Marine Scotland, and that it should also be recognised that other agencies, including local authorities, will also incur extra costs and should be resourced accordingly.

2. *Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?*

It would seem that substantial sums have been identified for the Marine Planning Partnerships.

3. *Did you have sufficient time to contribute to the consultation exercise?*

Yes.

4. *If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.*

It is difficult to assess the financial impact when the geographic extent of the Regional Marine Plans has yet to be decided. It is also noted that these plans will be developed on a phased basis with priority given to areas where the competition for resources and development pressures are highest. I am unable to comment further on this issue.

5. *Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?*

Local authority budgets are under severe pressure because of new burdens and new legislative duties and the decline in building standards and development management income. We believe the Council would find it very difficult to cover any additional costs that may be required and therefore any additional resources should be adequately reflected in future financial settlements.

6. *Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?*

No comment.

7. *If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?*

No comment.

8. *Do you believe that there may be future costs associated with the Bill, for example, through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?*

No comment.

David S Sawers  
Chief Executive

## SUBMISSION FORM ARGYLL AND BUTE COUNCIL

**Consultation**

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?

Yes, Argyll and Bute Council responded to the consultation 'Sustainable Seas for All'. We made no comments on financial assumptions made as part of this consultation as no financial information was provided.

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

Not relevant.

3. Did you have sufficient time to contribute to the consultation exercise?

Yes.

**Costs**

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.

Aquaculture

Argyll and Bute Council do not currently have the resources for the monitoring and enforcement of marine aquaculture consents. With the ongoing transfer of existing consents from The Crown Estate to local authorities, the Council will take on the role of monitoring and enforcement of these sites in addition to any new sites. There is also a requirement for resources to provide specialised training for planning officers that determine aquaculture applications and enforce consents, which we have estimated to be in the region of £5,000.

Regional marine planning

The financial memorandum for the draft Bill does not detail the expected number of staff that would be required to take forward marine spatial planning for an individual region. Looking at experience in terrestrial planning and existing marine projects, the Council considers that any regional team should be made up of at least four full-time professional officers covering a range of disciplines. This team should also have administrative and technical support, in particular GIS support. An estimated cost for four planning officers is £168,400 per annum.

Marine Protected Areas

The Bill identifies that management schemes can be prepared for marine protected areas. The costs set out in the Financial Memorandum (Table 5) identify an estimated cost of £23,000 against a management scheme. This figure appears very low if it is to include stakeholder involvement and consultation. It is not clear whether other costs identified in Table 5, such

as £50,000 for consultation cover the costs of consulting on a management scheme.

Examples of costs for existing marine management projects in Argyll and Bute

**ICZM project** – development of two Integrated Coastal Zone Management plans (Loch Etive & Loch Fyne)  
Total budget - £100,000 (Council project)

**Sound of Mull SSMEI project** – development of a marine spatial plan & implementation  
Total budget - £180,000

**Argyll Marine SAC** - development of one plan covering two marine Special Areas of Conservation  
Total budget - £160,000 (Council project)

**Clyde SSMEI** – development of a marine spatial plan for the Firth of Clyde  
Total budget – in excess of £360,000

The costs above are the full project costs and include setting up stakeholder groups, administration, consultancy fees, marketing, equipment, staffing and travel. It is also important to note that the only project that has planned at the likely scale of a marine region is the Clyde project. The other projects have planned for much smaller areas but possibly planned in greater detail.

5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?

The organisation cannot meet the costs associated with the Bill. The funding should come from either applicants/licence holders or as additional Revenue Support Grant from the Scottish Government.

6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

See comments under questions 4.

**Wider Issues**

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?

No comments

8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?

It is likely that there will be future costs associated with the Bill but it may not be possible to quantify these costs at this stage.

SUBMISSION FROM DUMFRIES AND GALLOWAY COUNCIL

**Please note that the Questionnaire responses below reflect the comments of one Dumfries & Galloway Council officer can only represent a limited view on the matter.**

**QUESTIONNAIRE**

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the Financial Memorandum for the Marine (Scotland) Bill. In addition to the questions below, please add any other comments you may have which would assist the Committee's scrutiny.

**Consultation**

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?

Yes. Yes, but detailed analysis was not possible within current resources.

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

See response to part 2 of Q1 above.

3. Did you have sufficient time to contribute to the consultation exercise?

Yes.

**Costs**

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.

Detailed analysis within current resources has not been possible, but not confident that the full extent of costs has been identified.

5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?

No.

6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

Detailed analysis within current resources has not been possible, but not confident that it does so.

### **Wider Issues**

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?

Detailed analysis has not been possible within current resources but not confident that this is the case.

8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?

It is anticipated that there will be costs beyond those already identified, but detailed analysis has not been possible within current resources.

## SUBMISSION FROM HIGHLAND COUNCIL

### **General**

Highland Council welcomes this opportunity to contribute to the scrutiny of the Marine (Scotland) Bill: Financial Memorandum. If the Finance Committee wishes any further information, Highland Council will be very happy to contribute what it can. Highland Council recognises that the Bill could have significant resource implications for itself given that the Council may have at least 3 Scottish Marine Regions within its administrative area and is likely to have a lead role in developing and delivering a local marine planning function.

### **Consultation responses**

Q1. Highland Council provided a comprehensive response to the consultation exercise that preceded the publication of the Marine (Scotland) Bill (copy available from the Clerks on request). At the time of the consultation, there was very limited information available on the financial implications of the Bill or how implementation of the Bill would be resourced by the Scottish Government.

Q2. At various places throughout its response, Highland Council raises the need for adequate resources to support the implementation of the Bill. Specific references are made to the need to provide additional resources in support of ecosystem based management, monitoring and enforcement and to support forward planning and research. Highland Council would like to see further details regarding the statement that “there will not necessarily be additional costs to local authorities for marine planning”. The Council may have at least 3 SMRs within its area, while only one coastal partnership exists to cover one specific area of the Highland coast (Moray Firth). It is difficult to see how the Highland Council could avoid becoming a lead partner in the SMRs and heavily involved in the delivery of the local planning function. It is also unclear what is actually going to be expected of local authorities and other relevant bodies, so it is difficult to comment on the accuracy of financial information provided with certainty. It is worth noting that SMR boundaries remain to be identified.

Q3. There was sufficient time to contribute to the consultation process but the consultation did not set out what was expected of partners. Rather it considered what might happen and on occasion more than one possible outcome was presented for comment. It was therefore not possible to consider financial implications beyond the general observation that additional resources would be required to implement the Bill and that these should be identified by the Government.

No consultation on financial implications took place.

### **Costs**

Q4. Given the comments contained within the response to Q2 (above), Highland Council is concerned that financial implications for the Council are not accurately reflected. The Council is likely to become involved as lead partner and heavily involved in the delivery of the local planning function.

Although Highland Council has a strong history of coastal planning work related to aquaculture strategic planning and coastal zone management projects, this is limited compared to the statutory roles the Council may have within the new marine planning system. The Council would welcome discussion with Marine Scotland on what its role will be.

Q5. The Council is not content that the potential costs can be met from existing resources. In fact it knows that they can't. Additional resources should be provided by the Scottish Government via Marine Scotland, once roles, boundaries and legal obligations are clarified and agreed.

Q6. There remains quite a bit of uncertainty linked to the roles of local authorities via the Marine (Scotland) Bill and this is true of the timescales that apply to the projected cost implications. As an example, SMR marine plans will require to undergo Strategic Environmental Assessment. SEA could make it very difficult to meet the timescales established and add to the cost of the process if not already included in the figures provided in Table 3.

#### **Wider Issues**

Q7. Previous responses apply regarding the accuracy of projected cost implications.

Q8. Yes. There are bound to be additional future costs implications associated with subordinate legislation or in developing guidance. Guidance for lead authorities will be especially important. It is not possible to quantify what additional costs might be involved at present.

Highland Council  
27<sup>th</sup> May 2009

## SUBMISSION FROM SHETLAND ISLANDS COUNCIL

**Consultation**

1. *Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?*
2. *Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?*
3. *Did you have sufficient time to contribute to the consultation exercise?*

The Shetland Islands Council (SIC) submitted a detailed response to the consultation on the Marine Bill (Sustainable Seas for All) on 22 September 2008. That part of the consultation process did not consider any financial aspects and consequently no comment was offered by the SIC. Your letter of 7 May was the first indication that the full Regulatory Impact Assessment on the Bill was available from the end of March 2009.

Time was sufficient in respect of consultation on the remit of the Bill as outlined in Sustainable Sea for All but has been insufficient in respect of financing of the Bill and its consequences.

**Costs**

4. *If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.*
5. *Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?*
6. *Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?*

There is still a degree of uncertainty with the Marine (Scotland) Bill as proposed in respect of what functions may or may not be delegated to Local Authorities in connection with marine planning and licensing. It is still unclear how many Scottish Marine Regions there will be and the SIC would comment that cost should not be the driving factor in the number ultimately formed. Consequently it is difficult to determine what the financial implications of the Bill might be for the SIC and whether or not any new costs can be met.

It is gratifying to note that, should the local authority take on the lead role within an SMR and play a main role in the delivery of marine planning, any extra costs would be offset by a resource transfer from central government as the local authority would effectively be taking on a new function.

### **Wider Issues**

7. *If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?*
8. *Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?*

There is insufficient detail in order to adequately comment on these two aspects.

The SIC believes there is a strong case for marine planning and management decisions to be made at the local level and, through the delegation provisions within it, the Marine (Scotland) Bill should provide the basis for this to happen unless a decision is taken (by the Local Authority) to opt-out. Given that the Planning etc Act 2006 seeks to devolve decision making to a more appropriate level, it would be pertinent to take a similar approach to marine planning (and management) and decisions on local developments should lie locally. Based on experience to-date, the best means of achieving this in Shetland is by designating the Islands as a SMR and designating the SIC as the lead authority in terms of marine planning and licensing.

Martin Holmes  
On behalf of Chief Executive

## QUESTIONNAIRE

### NORTH AYRSHIRE COUNCIL - PLANNING SERVICES RESPONSE

This questionnaire is being sent to those organisations that have an interest in, or which may be affected by, the Financial Memorandum for the Marine (Scotland) Bill. In addition to the questions below, please add any other comments you may have which would assist the Committee's scrutiny.

#### **Consultation**

1. Did you take part in the consultation exercise for the Bill, if applicable, and if so did you comment on the financial assumptions made?

NAC Planning Services Response: Yes

2. Do you believe your comments on the financial assumptions have been accurately reflected in the Financial Memorandum?

NAC Planning Services Response: Not Clear

3. Did you have sufficient time to contribute to the consultation exercise?

NAC Planning Services Response: Yes

#### **Costs**

4. If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the Financial Memorandum? If not, please provide details.

NAC Planning Services Response: No - There are liable to be funding shortages and a need for specific skills/training costs to be built into the process.

5. Are you content that your organisation can meet the financial costs associated with the Bill? If not, how do you think these costs should be met?

NAC Planning Services Response: No - There are liable to be funding shortages and a need for specific skills/training costs to be built into the process.

6. Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

NAC Planning Services Response: No - There are liable to be significant data requirement costs together with associated staffing issues/costs over and above those identified.

### **Wider Issues**

7. If the Bill is part of a wider policy initiative, do you believe that these associated costs are accurately reflected in the Financial Memorandum?

NAC Planning Services Response: Relationship to River Basin Management Plans - no account has been taken of this matter.

8. Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation or more developed guidance? If so, is it possible to quantify these costs?

NAC Planning Services Response: There are likely to be future costs associated with the Bill via secondary legislation. It is not possible to quantify these costs at this juncture.