

# Mundell talks about Scotland 20 years after devolution

This is the text of the speech which The Secretary of State for Scotland, the Rt Hon David Mundell MP, gave yesterday, marking the 20th anniversary of the Scotland Act 1998.

In the speech at Dovecot Studio, he reaffirmed that Brexit will further strengthen the devolution settlement, with new powers being transferred directly to Holyrood. He also noted that work is progressing well in developing new ways of joint working between the UK and Scottish governments. He also rejected 'power grab' accusations.



David Mundell MP speaking in Edinburgh on 21 February 2019 to 'an audience of business people, academics and stakeholders'. PHOTO courtesy of the UK Government

"Ladies and gentlemen.

On August 7, 1885, the Conservative Prime Minister Lord Salisbury wrote to the Duke of Richmond to offer him the newly-created post of Scottish Secretary.

He said the work 'is not heavy' but warned that expectations

were high.

He went on to suggest 'the effulgence of two dukedoms and the best salmon river in Scotland' would go a long way to meeting those expectations.

Thankfully, the qualifications for the job have changed since then.

I can boast neither a splendid dukedom nor a salmon river.

I can, however, attest that expectations remain high. So perhaps not everything has changed.

This year marks 20 years since devolution and the establishment of the Scottish Parliament.

I believe this is a good moment to take stock.

It is a good moment to consider what Scotland's expectations are today, from a system which gives us two parliaments and two governments.

I don't intend to provide a detailed chronology of devolution, and certainly not a history of the office of Secretary of State for Scotland.

The key developments over the past 20 years are familiar to us.

A referendum in 1997, the Act in 1998 and a parliament up and running barely six months later.

A further Scotland Act in 2012 gave Holyrood the power to set a Scottish rate of income tax, replace Stamp Duty and borrow more money.

And in 2016 an even more wide-ranging Scotland Act was passed, creating significant new income tax powers and transferring responsibility for a large swathe of welfare provision.

So rather than dwell on the detail, I want to consider how devolution works, how it can be strengthened as we leave the EU, and how relations between our two governments must adapt and develop in future.

But first, let me declare an interest.

I am a passionate supporter of devolution. I was proud to be elected as an MSP in that first intake in May 1999.

As an MP and, by then, a minister in the Scotland Office, I played my part in delivering the 2012 Act. As Secretary of State for Scotland, it was an immense privilege to take the 2016 Act through Parliament.

Two decades on from the first Scotland Act, Holyrood has become one of the most powerful devolved parliaments in the world. Power and accountability are better balanced than ever before. And, to borrow a word bandied more frequently by my political opponents, devolution has a stronger mandate than ever before.

The vote in 1997 was re-affirmed by our decision in 2014 to remain part of the UK. And in the 2017 general election there was overwhelming support for devolutionist parties:

...Support for a strong Scottish Parliament within the UK.

...Where the UK's strengths – our internal market, our global reach – are Scotland's strengths.

...Where decisions affecting only Scotland are taken at Holyrood by MSPs...

...But where decisions affecting the whole UK are taken at Westminster by MPs, including, of course, 59 MPs from Scotland.

Devolution is about striking a balance and I believe the balance now achieved is a good one.

Today, the fiercest debates at Holyrood are about tax decisions; about how to raise money as much as how to spend it. That accountability has to be a good thing.

I do not support the Scottish Government's decisions on income tax, making Scotland the most highly taxed part of the UK. I'm not impressed by the idea of taxing people £500 to park at work.

But I support Holyrood's power to make these choices, the accountability it brings and the debate it provokes.

And as the Scottish Government begins to use new welfare powers in the years ahead I look forward to the debate at Holyrood focusing on the difficult decisions that will entail.

That, then, is my starting point.

Devolution has proved itself flexible and responsive – a 'process not an event' as Donald Dewar said back in 1999. After 20 years I believe the settlement is strong. And I believe the principles that lie behind it are more widely accepted than ever.

I reject completely the argument put forward by opponents of devolution that it has been crushed by Brexit:

...That the settlement has been undermined by the return of powers from Brussels.

...Even, that Holyrood has been victim of a pernicious 'power grab'.

Let me tackle these myths head on.

They rest on two misunderstandings – about the 1998 Scotland Act itself and about one of the early conventions that supports it, the Sewel Convention, which says the UK Parliament will not normally pass legislation in a devolved area without the consent of the Scottish Parliament.

Firstly, it has been claimed that devolution is broken because the UK's EU Withdrawal Act 2018 was passed despite legislative consent being withheld by the Scottish Parliament.

It was claimed that the Sewel Convention was breached or, if it hadn't been breached, it was not fit for purpose and must be changed.

Lord Sewel himself answered the first point, judging clearly that the Convention was adhered to.

And the Scottish Government's own Brexit minister said "these are not normal times".

In fact, the Sewel Convention remains an essential element in the devolution settlement.

The UK Government continues to seek legislative consent for Bills that interact with devolution.

We work with the Scottish Government clause by clause in an effort to reach agreement.

I was pleased the Scottish Government agreed to recommend consent for our Healthcare (International Arrangements) Bill – legislation which will allow the UK Government to continue to fund healthcare for Scots who have retired to or are working in the EU.

I hope consent for other Brexit-related Bills will also be forthcoming – despite the Scottish Government's stated position to oppose them.

As things stand, the EU Withdrawal Act is the only piece of legislation in 20 years to be passed at Westminster after consent was withheld at Holyrood.

I believe that is a sign of Sewel's success and not its failure.

The second myth is that of the 'power grab'.

Now, to listen to the rhetoric coming from some of my political opponents, you could be forgiven for thinking that Holyrood is being stripped of a whole raft of powers it currently exercises.

It is complete fantasy; an invented grievance.

The reality is that more than 100 powers previously exercised in Brussels will transfer to Edinburgh.

These will transfer directly to the Scottish Parliament on the day we leave the EU.

Some powers will be exercised within new UK-wide frameworks, where the UK Government and devolved administrations agree to do so.

They are in areas such as animal health and welfare, food labelling, and chemical and pesticide regulations. Areas where the UK Government and the devolved administrations have already agreed it makes sense to take a UK approach.

Progress towards establishing these arrangements between the UK and Scottish Governments has been good, as our latest report to Parliament on the issue makes absolutely clear.

To characterise this process as a 'power grab' is nonsense. Holyrood is losing none of its existing powers and is gaining significant new powers as a result of Brexit.

What these myths amount to is an attempt to undermine devolution – to sweep away the '98 settlement – by people who do not support devolution because they want independence. We should not be surprised by that.

We should remain deeply suspicious when opponents of devolution try to present themselves as its champions and protectors.

Now, to be clear, I'm not arguing devolution is perfect or that it should be frozen in time. Devolution's adaptability is a strength and will remain so in future.

The 2016 powers are already having a positive effect at Holyrood and Brexit will bring further responsibility.

It will also raise fresh questions about intergovernmental relations – how our governments work together.

As we leave the EU, I believe these questions – more so than powers – will become pressing.

In the years ahead, our two governments – and the devolved administrations elsewhere in the UK – will need to work more closely than ever before.

We will need to manage our new UK regulatory frameworks. We will need structures that work – that respect devolution and encourage collaboration.

I'm pleased to say that work on this is underway.

Last year a Joint Ministerial Committee, chaired by the Prime Minister and attended by the First Minister, agreed to commission a review of intergovernmental relations. I'm confident this work can point the way to improved joint working. Not least because we have a lot to build upon.

Sometimes, Scottish Government ministers claim that relations between the UK and Scottish governments are at their lowest ebb. This is simply not true.

(In my experience, they were at their rockiest in 2014, as the Scottish Government's former Permanent Secretary, Sir Peter Housden, confirmed.)

To date there have been 16 meetings of the JMC (EN), a ministerial forum specially created to shape our approach to leaving the EU, with meetings scheduled monthly. This is a

crucial mechanism by which we engage with the DAs. The set of principles that will guide the development of UK frameworks were forged in the JMC (EN).

Behind the scenes, officials from the two governments are working well together on Brexit-related legislation and Brexit preparations on a daily basis.

Earlier this year, the Prime Minister took the decision to invite the First Ministers of Scotland and Wales to attend meetings of a key new cabinet sub-committee co-ordinating Brexit preparations.

In addition, our review of intergovernmental relations will look at the principles which should underpin our working relationships; at the machinery of devolution – whether we need new forums or new JMC bodies; and at how we should resolve disputes in future.

It is very much a live issue.

I'm pleased that Westminster's Scottish Affairs Committee at Westminster are conducting their own inquiry into intergovernmental relations:

...even if, so far at least, it seems to have focused on calls for the role Secretary of State for Scotland to be abolished.

As you can imagine, I am looking forward to presenting an alternative perspective when I give evidence in due course.

I actually believe the Office of the Secretary of State for Scotland will become more, not less, important, as we enter the post-Brexit devolution world and a more complex era of intergovernmental relations.

The role of promoting the work of the UK Government in Scotland, and giving voice to Scottish concerns around the Cabinet table, will be more critical than ever.



The reasons for that are clear.

Just as Holyrood will need to adapt to the wealth of new powers at its disposal, so the UK Government will have to consider its changing role in the new landscape:

...The UK Government must and will remain prominent in Scotland.

...The UK Government must and will remain central to Scotland's story.

We must continually re-affirm our support for devolution and demonstrate our contribution to the lives of those represented by our MPs.

Failure to do so would be a failure to deliver on the result of two referendums – the 1997 vote in favour of a Scottish Parliament and 2014 decision to reject independence.

When our opponents try to talk the UK down we should remind them of the things Scots value:

...The pooling and sharing of resources which support our public services;

...The finest armed forces in the world. Including a Royal Navy filling the Clyde's order book until 2030.

...Pensions they can rely upon.

...A record on international aid that any country in the world should be proud of.

The list goes on.

But the UK Government can and should be doing even more.

In an important speech in Glasgow, the Prime Minister called a halt to what she described as a process of 'devolve and forget'.

...The idea that because health, say, or education, or culture in Scotland are devolved to the Scottish Government, the UK Government no longer cares about them.

The Prime Minister was very clear. As Prime Minister for the whole of the UK, she said the educational attainment of 10-year-olds in Dundee was as important to her as that of their peers in Doncaster.

Predictably, this was deliberately misinterpreted in some quarters as another kind of power grab. It was nothing of sort. It was an appeal for more collaboration, for better joint working, for learning from each other. In other words, for more effective devolution.

I believe she was right to assert the UK Government's interest in all parts of people's lives in Scotland.

And I believe now is the time to build on that. We are already seeing this happen in the UK Government's £1billion-plus Growth Deal programme in Scotland.

UK investment is mostly spent in the reserved sphere, on things like research and development. But not exclusively so. Cultural projects, such as Edinburgh's exciting new concert hall development or Stirling's national tartan centre, will also benefit from UK Government investment.

There are already examples of areas where devolved policy areas interact with reserved matters – in foreign trade, for example – where the Scottish Government's agency Scottish Development International works alongside the UK Government's Department for International Trade.

Or, in overseas aid, where Scottish Government support for projects in Malawi augments the UK effort.

Going forward, I want to see Scotland's two governments working closely together for the benefit of people in

Scotland.

The UK Shared Prosperity Fund – which will fill the space left by EU structural funds post-Brexit – should provide an opportunity for both governments to collaborate on transformational projects across Scotland, from the Borders to the Highlands and Islands.

Scotland would be ill-served if one government could not add to the work being done by another. The time is right for this. Scots expect their two governments to work together and politicians on all sides accept the need to work together.

Twenty years on, devolution is indeed the settled will of the people of Scotland.

The settlement has proved itself adaptable and is strong.

Our system of two governments and two parliaments has held up to scrutiny – endorsed by one and then a second referendum.

The people who claim Brexit has broken devolution are the people who WANT Brexit to break devolution;

...Who see Brexit not in terms of securing the right deal for Scotland but as an opportunity to tear Scotland out of the UK.

...A position, of course, that has been rejected by not one but two referendums.

I do not believe Brexit will damage devolution.

I want it to strengthen devolution, and I believe that can and will happen.

Leaving the EU will bring new powers to Holyrood and new responsibilities to the Scottish Government.

But the UK Government is also being challenged to adapt to the new, post-Brexit era of devolution.

I'm confident we WILL meet the challenge;

...That we WILL foster a relationship of mutual respect between Westminster and Holyrood.

...That we WILL find ourselves using new ways to improve the daily lives of those we serve.

We'll do it because, like the majority of Scots, we believe in devolution. And we have a duty to deliver all that it offers for Scotland.