EXPLANATORY NOTE

(This note is not part of the Scheme)

Section 90B of the Scotland Act 1998 provides for the devolution to Scotland of the functions of managing the Crown Estate's wholly-owned assets in Scotland ("the existing Scottish functions"). This Scheme gives effect to that devolution.

Paragraph 3 transfers the existing Scottish functions to Crown Estate Scotland (Interim Management) ("the transferee"), a body specifically established for the purposes of the transfer.

Paragraph 4 and Schedule 1 specify the property, rights and interests the management of which will (in the Treasury's view) transfer under the Scheme on the transfer date.

Paragraph 5 and Schedule 2 specify the rights and liabilities which will transfer under the Scheme.

Paragraph 6 and Schedule 3 make provision in relation to the transfer of staff from the Crown Estate to the transferee. In particular, protections are included in relation to dismissal, contract variation and pensions. The provisions are modelled on, but apply instead of, the Transfer of Undertakings (Protection of Employment) Regulations 2006.

Paragraph 7 and Schedule 4 make provision about the protection of certain UK-wide interests. Part 1 makes provision in relation to defence and national security, Part 2 in relation to the electronic communications code, Part 3 in relation to certain pipeline payments and Part 4 in relation to certain electricity infrastructure payments.

Paragraph 8 and Schedule 5 make consequential amendments to certain Acts of the UK Parliament, Acts of the Scottish Parliament, Local Acts, UK Statutory Instruments and Scottish Statutory Instruments.

Paragraph 9 requires the preparation of a statement of income account and a statement of capital account by the Crown Estate Commissioners for the period starting on 1st April 2016 and ending immediately before the transfer date.

Paragraphs 10 to 13 make provision in relation to the treatment of certain receipts after the transfer date.

Paragraph 14 makes supplementary provision in relation to matters such as the continuity of functions.

Paragraph 15 requires the transferee to publish a notice of the transfer in the Edinburgh Gazette and the London Gazette.

An impact assessment has not been prepared for this instrument because no impact on the private or voluntary sector is foreseen.