

Welcome to the “Brexit special” of CSPP’s Scotland Monitor – an essential briefing on one month of Scottish current affairs, and packed with additional key articles, data and reports. For more policy news see the [“latest news”](#) section on our website. If you have any queries about this document or the CSPP, please don’t hesitate to [get in touch](#).

UK Votes to Leave

In the European Union referendum, held on 23 June, the UK electorate narrowly voted to leave the EU, by a margin of 51.9 – 48.1%. In Scotland the electorate voted to remain (38 – 62%), as did Northern Ireland (44.2 – 55.8%). Meanwhile England (53.4 – 46.6%) and Wales (52.5 – 47.5%) voted to leave. The result saw different UK nations voting in different directions – leading to renewed debate over the constitutional status of Scotland in particular.

Regarding the result in Scotland, just over 1 million voted to leave, while over 1.6 million voted to remain. A majority in each local authority area in Scotland voted to remain. The most Eurosceptic area was Moray, with 50.1% voting to remain. The most Europhile was Edinburgh, where 74.4% voted to remain. See more at [BBC EU Referendum Results](#).

Scottish Political Reaction

Following the EU referendum vote, First Minister Nicola Sturgeon announced the Scottish Government’s intention to explore all options to retain Scotland’s place in the EU and access to the single market. This included the possibility of holding a second independence referendum. The First Minister has since formed a Standing Council of experts to advise on negotiations to secure an EU deal for Scotland, has gained a mandate from the Scottish Parliament to negotiate directly with EU institutions, and has met with leading EU officials in Brussels. The FM is also in conversations with the UK Government’s Scottish Secretary, David Mundell, to set the Scottish Government’s role in the UK’s Brexit negotiations. Further, the Scottish Government has met with domestic business organisations and EU consular officials.

Scottish Labour and the Liberal Democrats supported the Scottish Government’s parliamentary motion to directly negotiate with EU institutions over a deal to secure Scotland’s relationship with the EU. Both parties also continue to underline their support for Scotland’s place in the UK, with Scottish Labour leader Kezia Dugdale exploring the potential for a new “federal” settlement for Scotland.

The Scottish Conservatives voted against the Holyrood motion to independently negotiate with the EU. However, their leader Ruth Davidson said that if a second independence referendum were to be proposed, the UK Government should not block this. The pro-independence Scottish Greens meanwhile broadly back the stance of the SNP-run Scottish Government.

Overall, it appears that the impact of the EU vote on the Scottish political landscape has been widely felt, with polls suggesting that there has been a small but significant increase in support for Scottish independence. However the emerging picture is both fluid and complex. For more:

- [Is Brexit the Beginning of the End of Britain?](#) [Spectator]

- [Scottish Brexit Voters Pose Quandary for Independence Campaign](#) [Guardian]
- [Herald View: Sturgeon Steering Course through Stormy Waters](#) [Herald]
- [Scotland Set to Lose £200m a Year in Funding After UK Leaves EU](#) [Scotsman]
- [Scottish Business Groups Unite to Set Post-Brexit Agenda](#) [Herald]
- [Referendums and the Will of the People \(Or Not\)](#) [CSPP]

Economic Growth Forecasts Downgraded

Two independent forecasters, EY and the Fraser of Allander Institute, have recently downgraded their prediction of Scottish economic growth for 2016. The forecasts were revised down to 1.2% (-0.6) and 1.4% (-0.5) respectively. The main factors behind the assessments were the slump in oil prices, an over-dependence on service sector growth, a predicted peak in construction, and weak growth in manufacturing. Strong consumer spending is seen as a “bright spot” for the economy. While the unemployment rate saw a small decrease to 5.8% in the February-April quarter, the employment rate has also continued to decrease, and the Scottish Trades Union Congress has termed 2016 a “wretched year” for the labour market. Meanwhile small business confidence has declined for the second quarter in a row and continues in negative territory, according to the FSB Scotland index. For more:

- [Chief Economic Advisor – State of the Economy Report June 2016](#) [Scottish Government]
- [EY Scottish Item Club Growth Forecast Downgrade – Press Release](#) [EY]
- [Fraser of Allander Institute - Recession Warning](#) [Scottish Financial News]
- [Scotland's Unemployment Falls by 11,000](#) [BBC]
- [Downbeat FSB Confidence Figures Underlines Case for EU Answers](#) [FSB Scotland]

Education “Blueprint” Published

Deputy First Minister John Swinney has unveiled the Scottish Government’s Education Plan for the current parliament, whose key aim is to reduce the attainment gap between pupils from different socio-economic backgrounds. In addition to statistics on an attainment gap in schooling and university entry, Save the Children has recently found that toddlers from poorer communities in Scotland are twice as likely to have language difficulties or delays compared with those from wealthier households, holding them back in later stages of education.

- [Education: A Delivery Plan for Scotland](#) [Scottish Government]
- [Scottish Government Unveils Education 'Blueprint'](#) [BBC]
- [Toddlers from Poor Families Falling Behind in Speech](#) [Third Force News]
- [By Diverse Means: Improving Scottish Education](#) [CSPP]

Use of Targets in Healthcare to be Reviewed

Health Secretary Shona Robinson announced that an expert group will review the use of targets in measuring the performance of the NHS. The Herald’s health correspondent, Helen Puttick, notes that health organisations and NHS managers had been pushing for a review, in part due to the feeling that targets can be costly to reach and may distort priorities. On the other hand, it is felt that targets maintain aspects of healthcare like waiting times as a priority, and that standards could slide without their use. Attention has also been given to the use of agency staff, with the cost of agency nurses rising 45% over the past year. For more:

- [Government to Review NHS Scotland Targets System](#) [BBC]
- [Call to Review NHS Scotland Targets](#) [BMA Scotland]
- [NHS target review: "Has any expert group ever had such a difficult task?"](#) [Herald]
- [NHS Scotland spending on agency nurses soars to £23m](#) [Scotsman]
- [A National Health Service or an Empty Umbrella?](#) [CSPP]

And Another Thing...

- [Scotland's "Declaration of Arbroath" was awarded UNESCO "Memory of the World" status.](#)
- [The national carbon emissions reduction target was met six years early.](#)
- [The first-ever World Towns Leadership Summit was held in Edinburgh, Scotland.](#)
- [The world's first Food and Drink BID was voted into existence in East Lothian.](#)

Additional Publications

[The Impact of Welfare Reform in Scotland - Tracking Study - Sweep 4 Report](#) [Scottish Government]

[Welfare Reform \(Further Provision\) \(Scotland\) Act 2012: Annual Report – 2016](#) [Scottish Government]

[Poverty in Scotland](#) – Easy Read Guide to Summary Statistics [Scottish Government]

[Poverty and Income Inequality in Scotland: 2014/15](#) [Scottish Government]

[Dignity: Ending Hunger Together in Scotland - The Report of the Independent Working Group on Food Poverty](#) [Short Life Working Group on Food Poverty]