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Dear colleague,

With the expected passage of the Scotland Bill, 2016 promises to be an exciting year for communities across Scotland. In the months since the general election, I have had the pleasure of meeting councillors in almost all of Scotland's local authority areas to discuss the new devolution settlement the Bill will deliver. I know that Scotland's community councils have a wealth of knowledge of local issues affecting your areas and ideas about how to make a positive difference to people's lives in your areas.

Scotland Bill – more powers for Holyrood will mean changes for local government

The Scotland Bill delivers in full the legislation needed to implement the Smith Agreement, as Lord Smith of Kelvin himself has confirmed. With major new powers over tax and welfare being transferred from Westminster to Holyrood, changes are on the way which could have a big impact on the work of local government in Scotland.

The Scottish Parliament will see a huge increase in its accountability to the people of Scotland, giving new weight and potential to the powers it already has. The Scotland Bill gives the Scottish Parliament the opportunity to make important choices on tax, welfare, energy, transport and other matters, in addition to its existing responsibilities over areas including health and education.

As the political parties in Scotland compile their manifestos for May, those who are responsible for local government have an important responsibility. How these new powers are used will make a difference to the jobs you do and the people you represent and serve. I urge you to take an active part in this debate and put forward your own suggestions. I have enclosed some further information about the powers contained in the Bill, which I hope will be helpful as you make your voice heard in this debate.

Further devolution *within* Scotland – the next great debate

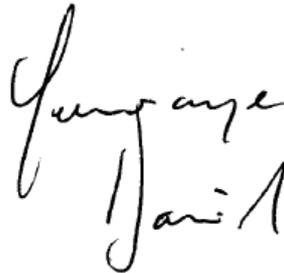
I do not think that devolution from Westminster should stop at Holyrood. Alongside the package of new powers which was agreed by the Smith Commission, Lord Smith of Kelvin made an important personal recommendation. He said:

“There is a strong desire to see the principle of devolution extended further, with the transfer of powers from Holyrood to local communities...The Scottish Government should work with the Parliament, civic Scotland and local authorities to set out ways in which local areas can benefit from the powers of the Scottish Parliament.”

The issue of further devolution within Scotland has been raised with me many times during my visits to local authorities across Scotland. Before Christmas, I made a speech in which I set out in detail my thoughts on this matter, which can be found here: <https://www.gov.uk/government/news/david-mundell-devolution-in-scotland-the-next-great-debate-speech>.

Scotland's burghs and counties need to make the case for the new powers they would like to see passed on to them. Community councils are closer to the communities they serve than any other elected body and I think they have a big role to play in Scotland's future. Giving more powers to Scotland's communities can help them to improve the lives of local people.

At the start of this crucial year for Scotland, these are important debates which I urge you to make your voice heard in.

A handwritten signature in black ink, appearing to read 'David Mundell', written in a cursive style.

**Rt Hon DAVID MUNDELL MP
SECRETARY OF STATE FOR SCOTLAND**