

# The Implications of Scottish Independence

A guide to free online  
resources

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This report highlights the views of various organizations on the impact of possible Scottish independence on business operations and those of Scottish and Rest of UK (RUK) institutions. Please note that this report only includes a small number of organizations and does not represent a UK-wide assessment, nor does it represent the views of BUFDG. We aim to update this report on a rolling basis, so please let us know if you have any information that you would like us to add to it.

For background on the big questions of the referendum – “what is it?”, “Why is it being held?” And “what next?” amongst others, why not take [the University of Edinburgh's free MOOC?](#)

A good initial overview of the possible consequences of independence, and current business and household reaction to the uncertainty, can be [found in the FT](#).

The Times Higher also has [an excellent summary feature](#) focusing specifically on universities in Scotland.

## Institutes

### **The Institute of Chartered Accountants for Scotland (ICAS)**

<http://www.icas.org.uk/ScottishIndependence/>

ICAS' website features a host of resources that are dedicated to the tax implications of Scottish independence. These include:

- Response to the Scottish Government: A Consultation on Tax Management
- Scotland's Tax Future; What Tax System Would Scotland Want?
- Tax Issues Arising from the Scotland Act 2012
- The General Principles of the Revenue Scotland and Tax Powers Bill
- The General Principles of the Land and Buildings Transaction Tax (Scotland) Bill
- UK Government First Annual Report on Financial Provisions of Scotland Act 2012
- House of Lords Select Committee on Economic Affairs

### **The Institute of Chartered Accountants in England and Wales (ICAEW)**

<http://www.icaew.com/en/members/local-support-and-services/local-groups-and-societies/scotland-ds/scotlands-financial-future>

ICAEW [outlined its concerns](#) about the “economic implications” for the UK should Scotland become independent. In its submission to the House of Lords Select Committee on Economic affairs, ICAEW suggests that there is currently a lack of clear information on the implications for taxation and that the “main challenges would relate to costs and complexity; taxing rights and double taxation issues.”

The Institute suggests “the potential impact of the consequential varying tax rates could be “serious, expensive, complicated and unintended” for both Scotland and the rest of the UK. In addition, “robust and tested financial arrangements and regulatory regimes” need to be considered before separation.

## **The National Institute of Economic and Social Research (NIESR)**

<http://niesr.ac.uk/research-theme/economics-scotland>

NIESR offers some independent analysis on the economic consequences both for Scotland and the rest of the United Kingdom.

## **The Institute of Directors (IOD)**

<http://www.iod.com/connecting/local-networks/scotland>

In IOD Scotland's Spring Newsletter, they note that there are "many issues and a lack of clarity around the mechanics and policies" of the potential separation. In terms of currency, Simon Walker, Director General of the Institute of Directors, [said](#): "While businesses on both sides of the border would regret new transaction costs resulting from an independent Scotland adopting a new currency, this inconvenience would pale in comparison to the financial danger of entering an unstable currency union. As we've seen with the Eurozone, having countries with separate fiscal plans using the same currency can be very problematic. And if an independent Scotland did not have control of its monetary policy, it would raise the question, is that independence?"

## **The Confederation of Business Industry**

<http://www.cbi.org.uk/about-the-cbi/uk/scotland/independence-referendum/>

Having first declared the CBI supporters of the "Better Together" campaign, the organization has since withdrawn this support and now takes a [neutral stance](#). However, John Cridland, CBI Director-General, [said](#): "The lesson of the Eurozone crisis is a single currency union requires deep fiscal and political integration, which the three main Westminster parties have made clear would be undermined fatally by an independent Scotland. Without proper integration, jobs and investment are put at risk - and it is usually the small partner that loses out. Scotland's long-term economic prospects are best served by keeping the Pound and the only way to guarantee that is by staying in the union."

## **Business for New Europe (BNE)**

[http://www.bnegroup.org/images/uploads/publications/files/In\\_Depth -  
Scottish Independence and EU Accession - BNE March 2012 1.pdf](http://www.bnegroup.org/images/uploads/publications/files/In_Depth_-_Scottish_Independence_and_EU_Accession_-_BNE_March_2012_1.pdf)

*Scottish Independence and EU Accession* is an in-depth look at the issues surrounding independence, particularly in relation to the political, and EU, challenges. It examines the 'legal ambiguities and political realities' of the move, and speculates that it is unlikely Scotland's EU application would be 'fast-tracked' as a *de facto* member, and would instead have to reapply 'as a new member' to the EU on the event of Independence.

## Government

### **The Scottish Government**

<http://www.scotreferendum.com>

Some of the questions about the referendum and its impact on higher education are addressed [here](#). The page includes information about tuition fees, charities' research

funding and postgraduate study.

### **Commons Select Committee**

<http://www.parliament.uk/business/committees/committees-a-z/commons-select/business-innovation-and-skills/inquiries/parliament-2010/implications-of-scottish-independence/>

The Commons Select Committee discusses the implications for Scottish independence on business, higher education and research.

### **The UK Government**

<https://www.gov.uk/government/collections/scotland-analysis>

The UK Government discusses [devolution and the implications of Scottish independence](#).

## Other organizations

### **Turcan Connell**

<http://www.turcanconnell.com/media/2014-scottish-independence-referendum/>

Turcan Connell answers questions about Scottish independence. In [one of their articles](#), they pick out a White Paper quote that states "Until such times as tax rates are changed by a future Scottish Government, they will remain the same as the prevailing rate in the UK." They take this to mean that "all currently-available exemptions and reliefs will continue to be available up to and including Independence Day but they cannot be relied upon beyond that date."

### **PwC**

<http://pwc.blogs.com/south-east/2014/01/scottish-independence-change-is-on-the-horizon.html>

PwC suggests that a key challenge for employers will be to "determine tax payer status especially where employees live in Scotland but work in England and vice versa. Similarly, where employees work between different locations, or where employees are seconded in and out of Scotland." Employers also need to ensure that their payroll and reporting systems are suitable for "policing the Scottish Rate of Income Tax (SRIT)." They conclude "whatever happens in the referendum, there will be employer and employee implications once SRIT is introduced in 2016, especially where companies have cross-border workers and employees".

### **Future of the UK and Scotland**

<http://futureukandscotland.ac.uk/blog/referendum-separation-scotland-impact-higher-education-research-and-tuition-fees>

Sheila Riddell from Centre for Research in Education Inclusion and Diversity looks at the "impact on higher education, research and tuition fees": "A vote for independence would necessitate negotiation between Scottish and UK Governments, as well as EU institutions, on a whole range of issues affecting higher education, ranging from the fee-status of UK students, the funding of Research Councils, immigration policy and the ownership of buildings and networks associated with research infrastructure."

## **The Banks**

An article from [the BBC](#) has suggested that Lloyds Banking Group and Barclays have “both cited the Scottish independence referendum as a potential risk to their businesses”, while others may have to move some of their operations as a result of independence.

## **News Sources**

### **BBC**

<http://www.bbc.co.uk/news/uk-scotland-26602997>

Douglas Fraser discusses the implications of Scottish independence on businesses, and refers to several debates and resources. This includes University of Strathclyde’s, [document](#), which provides an economic argument for both a union and independence.

### **Times Higher Education**

<http://www.timeshighereducation.co.uk/comment/opinion/countdown-to-the-scottish-referendum/2012490.article>

Ferdinand von Prondzynski, who is Principal and Vice-Chancellor of Robert Gordon University, considers the outcomes for Scottish higher education should Scotland become independent.

<http://www.timeshighereducation.co.uk/news/independent-scotland-would-attract-international-students/2013682.article>

Humza Yousaf, SNP minister for external affairs, sees a possible advantage for independence in increasing Scotland’s ability to attract international students, as the current “UK immigration system makes it “increasingly difficult for international students to come to Scotland and the rest of the UK to study”.

### **The Scotsman**

<http://www.scotsman.com/news/politics/scottish-independence>

An archive of Scotsman articles on Scottish independence.

### **The Guardian**

<http://www.theguardian.com/politics/scottish-independence>

An archive of news from The Guardian related to the Scottish Referendum.

### **The Telegraph**

<http://www.telegraph.co.uk/news/uknews/scottish-independence/>

An archive of news from The Telegraph related to the Scottish Referendum.

## **Financial Times**

[http://www.ft.com/topics/themes/Scottish\\_Independence](http://www.ft.com/topics/themes/Scottish_Independence)

An archive of news from the FT related to the Scottish Referendum.

## Debates

### **Higher Education Today**

<http://www.youtube.com/watch?v=p4N-P-pInyk>

Dr. Stephen Watson, founder of Academics for Yes, and Professor Hugh Pennington, leader of Academics together, debate the possible implications of Scottish independence. The debate is hosted by Steven Roy Goodman and produced by the University of the District of Columbia.

### **The Guardian**

<http://www.theguardian.com/higher-education-network/2013/nov/26/scottish-independence-future-higher-education>

A debate about the impact of Scottish independence on higher education.

### **BBC**

<http://www.bbc.co.uk/news/uk-scotland-24804372>

Gary Robertson hosted a BBC Newsnight Scotland debate on the future of further and higher education in Scotland.

The BBC also has a Referendum library:

<http://www.bbc.co.uk/news/uk-scotland-scotland-politics-21618252>

### **New Statesman**

<http://www.newstatesman.com/subjects/Scottish%20independence>

Comment on the Scottish Referendum.

## Universities

**Scottish independence: Three Scottish universities leave Confederation of Business Industry**

## (CBI)

<http://www.bbc.co.uk/news/uk-scotland-scotland-politics-27101266>

Glasgow, Aberdeen and Edinburgh universities have left the CBI. Glasgow said it has quit to “maintain impartiality”, Aberdeen because it “does not have an institutional position,” and Edinburgh because it has a “strictly neutral position”. Robert Gordon University has not quite CBI but announced its “strictly neutral position”.

Ferdinand von Prondzynski, who is Principal and Vice-Chancellor of Robert Gordon University, offers an explanation of University neutrality in [the Guardian](#).

## University Websites

|   |   |
|---|---|
| University of Edinburgh                 | <a href="http://www.ed.ac.uk/home">http://www.ed.ac.uk/home</a>                               |
| Edinburgh Napier University             | <a href="http://www.napier.ac.uk/Pages/home.aspx">http://www.napier.ac.uk/Pages/home.aspx</a> |
| Glasgow Caledonian University           | <a href="http://www.gcu.ac.uk">http://www.gcu.ac.uk</a>                                       |
| Glasgow School of Art                   | <a href="http://www.gsa.ac.uk">http://www.gsa.ac.uk</a>                                       |
| Heriot-Watt University                  | <a href="http://www.hw.ac.uk">http://www.hw.ac.uk</a>   |
| Queen Margaret University               | <a href="http://www.qmu.ac.uk">http://www.qmu.ac.uk</a>                                       |
| Robert Gordon University                | <a href="http://www.rgu.ac.uk">http://www.rgu.ac.uk</a>                                       |
| Royal Conservatoire of Scotland         | <a href="http://www.rcs.ac.uk">http://www.rcs.ac.uk</a>                                       |
| Scotland's Rural College                | <a href="http://www.sruc.ac.uk">http://www.sruc.ac.uk</a>                                     |
| University of Aberdeen                  | <a href="http://www.abdn.ac.uk">http://www.abdn.ac.uk</a>                                     |
| University of Dundee                    | <a href="http://www.dundee.ac.uk">http://www.dundee.ac.uk</a>                                 |
| University of Glasgow                   | <a href="http://www.gla.ac.uk">http://www.gla.ac.uk</a>                                       |
| University of St. Andrews               | <a href="https://www.st-andrews.ac.uk">https://www.st-andrews.ac.uk</a>                       |
| University of Stirling                  | <a href="http://www.stir.ac.uk">http://www.stir.ac.uk</a>                                     |
| University of Strathclyde               | <a href="http://www.strath.ac.uk">http://www.strath.ac.uk</a>                                 |
| University of the Highlands and Islands | <a href="http://www.uhi.ac.uk/en">http://www.uhi.ac.uk/en</a>                                 |
| University of the West of Scotland      | <a href="http://www.uws.ac.uk/home/">http://www.uws.ac.uk/home/</a>                           |

University of Edinburgh has also produced a [blog](#) to disseminate research and provide commentary on the referendum debate.

## The campaign sites

### **Better Together**

<http://bettertogether.net/>

### **Academics better together**

[http://b.3cdn.net/better/69181b63c4365159dd\\_jrm6bz8ph.pdf](http://b.3cdn.net/better/69181b63c4365159dd_jrm6bz8ph.pdf)

Academics better together produced a report that suggests "By continuing to work together as part of the UK, we all can achieve so much more than we could apart."

### **Academics for Yes**

<http://www.academicsforyes.org/>

Academics for Yes believe that Scotland's universities need to be at the heart of the debate on independence. According to the group, Scotland's universities can only renew their commitment to, and understanding of, the 'public' university, through being an independent nation that fully embraces the research, learning and knowledge mobilisation that flows from the cultural, social, scientific and philosophical disciplines.

### **Yes Scotland**

<http://www.yesscotland.net/>

Yes Scotland has written about what the yes vote would mean for research funding and tuition fees. The report highlights advantages of independence, such as creating "more transparency and clearer accountability around investment, while preserving academic freedom to prioritise research work."