

Agenda Supplement – Legislation, Justice and Constitution Committee

Meeting Venue:

Committee Room 4

Meeting date: 7 March 2022

Meeting time: 14.00

For further information contact:

P Gareth Williams

Committee Clerk

0300 200 6565

SeneddLJC@senedd.wales

Hybrid – Supplementary pack

Please note the documents below are in addition to those published in the main Agenda and Reports pack for this Meeting

4.7 Correspondence from the Minister for Finance and Local Government: Supplementary Legislative Consent Memorandum (Memorandum No. 2) on the Subsidy Control Bill

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Attached Documents:

LJC(6)-08-22 – Paper 23 – Letter from the Minister for Finance and Local Government, 4 March 2022

4.8 Correspondence from the Constitution, Europe, External Affairs and Culture Committee, Scottish Parliament: UK Internal Market

(Pages 2 – 3)

Attached Documents:

LJC(6)-09-22 – Paper 24 – Letter from the Constitution, Europe, External Affairs and Culture Committee, Scottish Parliament, 22 February 2022

9 Supplementary Legislative Consent Memorandum (Memorandum No. 2) on the Commercial Rent (Coronavirus) Bill

(15.05–15.10)

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[Legislative Consent: The Commercial Rent \(Coronavirus\) Bill](#)

Attached Documents:

LJC(6)-08-22 – Paper 22 – Letter from the Minister for Economy in response



to the Committee's report on the Legislative Consent Memorandum, 3 March
2022

Rebecca Evans AS/MS
Y Gweinidog Cyllid a Llywodraeth Leol
Minister for Finance and Local Government



Ein cyf/Our ref MA/RE/0958/22

Llywodraeth Cymru
Welsh Government

Huw Irranca-Davies MS
Chair, Legislation, Justice and Constitution Committee
Senedd Cymru

04 March 2022

Dear Huw,

I would like to thank you and the Committee for your consideration of the Supplementary Legislative Consent Memorandum on the Subsidy Control Bill. I welcome the continued support, provided in your conclusions for amendments to the Bill, to address our concerns.

Thank you, also, for bringing to our attention your concerns and the concerns raised by both the House of Lords DPRR Committee and the House of Lords Common Frameworks Scrutiny Committee.

With regards concerns around the relationship between the Subsidy Control Bill and common frameworks, this is a concern I share.

Prior to the implementation of the UK Internal Market Act, which specifically reserves competence in relation to subsidy control, the Welsh Government argued strongly that subsidy control was a devolved matter, and that policy should be developed collegiately through a Common Framework to ensure issues such as this could be identified and addressed early on in the policy development process. However, as the UK Government disagreed that subsidy control was a devolved matter they believed it would be inappropriate to include it in the Common Frameworks Programme.

As a result of the skeletal nature of the draft Subsidy Control Bill, it is impossible to say with any certainty what the outcome would be should a conflict akin to that raised in your report occur between the Bill and Common Frameworks.

We are pressing, and will continue to press, for the UK Government to provide greater clarity on the future regime given the potential economic and societal impact of the Bill upon Wales and the wider UK.

Yours sincerely,

A handwritten signature in black ink that reads 'Rebecca Evans'.

Rebecca Evans AS/MS
Y Gweinidog Cyllid a Llywodraeth Leol
Minister for Finance and Local Government

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Agenda Item 4.8



The Scottish Parliament
Pàrlamaid na h-Alba

Huw Irranca-Davies MS
Chair
Legislation, Justice and Constitution
Committee
The Senedd
(by e-mail)

The Scottish Parliament
EDINBURGH
EH99 1SP

CEEAC.committee@parliament.scot

22 February 2022

Dear Huw

UK Internal Market

The Constitution, Europe, External Affairs and Culture Committee has today published a report on our inquiry into the UK internal market:

<https://digitalpublications.parliament.scot/Committees/Report/CEEAC/2022/2/22/73682bfb-fb43-47e5-b206-b79ec5e28262-1#Introduction>

We identified three significant and interrelated tensions arising from and/or exacerbated by the UK leaving the EU –

- First, tension between open trade and regulatory divergence;
- Second, tension within the devolution settlement;
- Third, tension in the balance of relations between the Executive and the Legislature.

The Committee recognises, in relation to the first of these tensions, the economic benefits for businesses and consumers in ensuring open trade across the UK. But equally we recognise that the fundamental basis of devolution is to decentralise power so as to allow policy and legislation to be tailored to meet local needs and circumstances.

The Committee recognises that the UK Internal Market Act seeks to address the first tension. But from the clear consensus in the evidence we received it is the Committee's view that UKIMA places more emphasis on open trade than regulatory

autonomy compared to the EU Single Market. It is also the Committee's view that this has led to tensions within the devolved settlement.

The Committee recognises that Common Frameworks have the potential to resolve these tensions within the devolved settlement through managing regulatory divergence on a consensual basis while facilitating open trade within the UK internal market

But the Committee believes there is a risk that the emphasis on managing regulatory divergence at an inter-governmental level may lead to less transparency and Ministerial accountability and tension in the balance of relations between the Executive and the Legislature.

The Committee is concerned that this may result in reduced democratic oversight of the Executive and a less consultative policy-making process.

Our view is that there is a need for a much wider public debate with regards to how to deliver appropriate levels of parliamentary scrutiny and public and stakeholder engagement at an inter-governmental level especially in relation to the operation of common frameworks.

We believe that resolving this tension should be an immediate priority for the refreshed inter-parliamentary forum and we agreed to highlight the findings of the report to our colleagues on the relevant committees in the House of Commons, House of Lords, Welsh Senedd and Northern Ireland Assembly.

The Committee will also invite the views of both the Scottish Government and the UK Government on how to resolve this tension and ensure appropriate levels of public and stakeholder engagement and parliamentary scrutiny of inter-governmental working especially in relation to the operation of common frameworks.

The Deputy Convener and I look forward to meeting you and to discussing these issues in more detail at the first meeting of the refreshed inter-parliamentary forum on Friday.

Yours Sincerely

A handwritten signature in black ink that reads "Clare Adamson". The signature is written in a cursive, flowing style.

Clare Adamson MSP, Convener of the Constitution, Europe, External Affairs and Culture Committee



Ein cyf/Our ref MA-VG-0726-22

Huw Iranca-Davies MS
Chair, Legislation, Justice and Constitution Committee

SeneddLJC@senedd.wales

3 March 2022

Dear Huw,

Thank you for the Committee's [report](#) laid on 8 February in relation to the Legislative Consent Memorandum on the Commercial Rent (Coronavirus) Bill.

Please find my response to your recommendation below.

Recommendation 1. Given the Minister's statement in paragraph 28 of the Memorandum that there is "little evidence to suggest whether or not unpaid rent debt from business tenancies is a large scale issue in Wales", the Minister should, at the earliest opportunity and in advance of the Senedd's debate on a relevant consent motion, provide more full reasoning and justification for pursuing provision for Wales in the Bill.

Response: I can confirm recent data suggests an estimated 7,500 of commercial rent cases will go through the arbitration scheme across the UK. It is important that any business in Wales, which would fall within scope of the Bill, should be able to benefit from the arbitration regime and protections envisaged by the Bill which will also be afforded to their counterparts in England. This is of particular importance given the planned expiry of certain protections, such as the moratorium currently provided for under section 82 of the Coronavirus Act 2020.

I can confirm a number of urgent and extensive discussions around the Bill were held at both official and ministerial level with the UK Government's Department for Business, Energy and Industrial Strategy. I have today laid a supplementary LCM recommending consent on the basis of the proposed amended clauses tabled by the UK Government for consideration at Lords Report stage on 14 March.

Yours sincerely,

Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy

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