Vaughan Gething AS/MS Gweinidog yr Economi Minister for Economy

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 <u>report</u> 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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CF99 1SN 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.