



The Scottish Parliament
Pàrlamaid na h-Alba

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

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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