

Vaughan Gething MS
Minister for Economy

18 January 2024

Dear Vaughan,

The United Kingdom Internal Market Act 2020 (Services Exclusions) Regulations 2023

Thank you for your response of 19 December 2023 to my letter of 22 September 2022 in respect of the above Regulations, which my Committee noted at its meeting of 8 January 2024. While we are grateful for the information you provided, we would welcome further detail in respect of some matters in order to gain a better understanding of the position.

We note that the explanatory memorandum to the Regulations states:

"Welsh Ministers consented to the instrument. However, consent from all Devolved Governments has not been provided within the period of one month beginning the day on which it was sought. In reliance on section 18(9) of UKIMA, the Secretary of State may make the instrument without that consent. As this instrument is made without the consent of these Governments, the Secretary of State has published an explanatory statement in accordance with section 18(10) of UKIMA."

In her explanatory statement made on 20 July 2023, the Secretary of State for Business and Trade said that while consent from all devolved governments had not been "received, she intended to proceed with making the regulations as they are "important to ensuring that the scope of application of the market access principles in Part 2 of the UKIM Act better reflects how services are currently regulated across the UK".

I would be grateful if you could:

- indicate the nature of any discussions held between the Welsh Ministers and the Scottish Ministers in respect of the regulations and clarify, if you are able to, whether the Scottish Government refused consent, or did not issue a response to the Secretary of State's request;
- further explain the Welsh Ministers' decision to consent to the instrument, in light of the consent of the Scottish Government not being received by the UK Government, and, if relevant, explain why the Welsh Ministers reached a different decision;
- indicate if you had any discussions with the UK Government about the Regulations in the 12 months or so between giving consent and the Regulations being laid, and if so, the nature of those discussions.

I acknowledge your explanation that there was insufficient time to engage Members of the Senedd before making the decision to consent to this instrument. However, I would be grateful if you could commit to undertake such engagement in the future in the absence of any extenuating circumstances.

Please could you provide a response to this letter by 31 January 2024.

Yours sincerely,

A handwritten signature in black ink that reads "Huw Irranca-Davies". The signature is written in a cursive style and is underlined with a single horizontal stroke.

Huw Irranca-Davies
Chair