



Huw Irranca-Davies AM
Chair
Constitutional and Legislative Affairs Committee
National Assembly for Wales

27th September 2016

Dear Huw,

Inquiry into the UK Government Wales Bill

I am writing following my evidence to the Committee on 4 July, regarding the UK Government Wales Bill. During the evidence session I said that I would draw to the Committee's attention at least some of those reservations in the new Schedule 7A which remain a cause for concern.

While it is disappointing that at this stage the list of reservations has not been significantly curtailed from the initial draft Bill position, I am confident that there is scope for more progress to be made as the Bill moves through the House of Lords. Welsh Government officials are continuing to have detailed discussions with their Wales Office counterparts, and I expect to see UK Government amendments brought forward during Lords consideration as a result of those discussions.

I should also stress that this is not simply a matter of reducing the number of reservations on the list in Schedule 7A. It will also be important that some of the reservations are redrafted, or Exceptions added, so that the breadth of particular reservations is effectively limited, and more legislative space for the Assembly correspondingly created.

Water and Sewerage (Reservations 90 and 91)

The Welsh Government is looking for implementation of the Silk Commission recommendations to devolve powers on water and sewerage, aligning competence with the national border; conferring powers on sewerage and licencing of water and sewerage suppliers; establishing intergovernmental protocol in relation to cross-border issues; and removing the Secretary of State's powers of intervention in relation to water. These recommendations were the subject of consensus in principle in the St David's Day Command paper published in February 2015, subject to further work on practical implications. This work has been undertaken as part of the Joint Governments Water and Sewerage Devolution Programme Board, and consultation with the water industry and

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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.

regulators, and I can no reason why this set of changes should not be should not now be implemented in the Bill.

Given the importance of water within the settlement, I think it is vital that we should achieve this package in full through the Bill, and the continued inclusion of reservations in relation to water and sewerage seems both perverse and short sighted. I believe the UK Government should take the opportunity afforded by the Wales Bill to honour its commitments by advancing these changes, instead of leaving them to some future legislative opportunity.

There are a number of reservations on which I proposed amendment during the Commons stages. It was disappointing that these were not carried, but I hope to see their reintroduction in the Lords.

Betting, Gaming and Lotteries (Reservation 57)

An amendment was tabled to confer competence to regulate the number of Fixed Odds Betting Terminals. This was as a result of the adoption by the Assembly last year of a backbench motion, supported by Members of all four parties then represented in the Assembly, calling attention to the social problems arising from the increase in gambling, and calling for consideration to be given to devolving responsibility on this matter to enable the Assembly to address this effectively. This provision would be equivalent to section 52 of the Scotland Act 2016, which confers competence on the Scottish Parliament in respect of Fixed Odds Betting Terminals, and therefore represents a reasonable amendment to deliver an equitable settlement in this area for Wales.

Community Infrastructure Levy (CIL) (Reservation 184)

The Welsh Government maintain the position that we put to the Silk Commission, and one which they agreed with, that CIL would be a beneficial addition to the Assembly's powers. It is inextricably linked with the delivery of our existing responsibilities for planning, and no case has been made for reserving this in the Wales Bill.

Licensing of the sale and supply of alcohol, and late night refreshment (Reservations 55 and 56)

Competence in relation to the licensing of alcohol would be consistent with the Assembly's responsibilities for health, and would allow it to more effectively address one of the major causes of preventable death and illness here in Wales. Policies that control the way in which alcohol is sold and supplied are widely acknowledged to be amongst the most effective mechanisms for tackling alcohol related harms. These reservations place unnecessary and inappropriate constraints on action to tackle alcohol availability in Wales. Having the necessary powers would enable the Assembly and Welsh Government to take effective action to tackle alcohol related harms in Wales. These powers are devolved in Scotland and Northern Ireland and should equally be devolved in the case of Wales.

At official level discussions are continuing on a number of other areas where I believe the reservations should be removed or curtailed by improved drafting, for example Tribunals (reservation 7), Emergency Powers (reservation 45) Heat and Cooling (reservation 99), Energy Conservation (reservation 100), Compulsory Purchase (reservation 185) and Building Regulations (reservation 186).

There are other areas, such as the reservation of employment and industrial relations (Reservation 139) where I have proposed an exception in relation to devolved public

services and this again is a matter to which the Lords may return. It is worth noting in this context that while I have pressed for avoiding the 'subject matter of' drafting technique as a way of describing the matters to be reserved, and replacing it with more precise and specific subject definitions, the UK Government has in many areas held fast to the 'subject matter' approach, and reservation 139 is a particularly egregious example of this. The rushed timetable for scrutiny of the Bill in the Commons, and in prospect in the Lords, has not helped us in this respect.

I continue to press on all these issues and will review progress at official level in advance of Lords consideration.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carwyn Jones', written in a cursive style.

CARWYN JONES