

## PARLIAMENTARY BUREAU

### LEGISLATIVE CONSENT MEMORANDUM - SUBSIDY CONTROL BILL (UK LEGISLATION)

#### Introduction

1. Under Rule 9B.3.5, the Parliamentary Bureau is required to refer any legislative consent memorandum (LCM) that has been lodged with the Parliament to the committee within whose remit the subject matter of the relevant provision falls.

#### Subsidy Control Bill

2. The Subsidy Control Bill was introduced in the House of Commons on 30 June 2021.

3. An LCM was lodged by Kate Forbes MSP, Cabinet Secretary for Finance and the Economy, on 25 October 2021.

4. The Bill makes provision regarding the control of subsidies following the UK's exit from the European Union. The UK Government's stated policy objective is to implement a domestic subsidy control regime in the UK that reflects the UK's strategic interests and particular national circumstances, providing a legal framework within which public authorities make subsidy decisions.

5. The LCM indicates that the Scottish Government does not intend to lodge a motion seeking the Scottish Parliament's consent to the UK Parliament legislating on devolved matters in this Bill due to concerns around potential constraints on Scottish Ministers' ability to act in devolved areas.

#### Designation of lead committee

6. The LCM engages the remit of a number of committees:

- The remit of the Economy and Fair Work Committee is "*to consider and report on matters relating to the economy falling within the responsibility of the Cabinet Secretary for Finance and the Economy*". The Bill is concerned with subsidy control which can impact on economic development. It relates to trade and export policy which is within the remit of the Minister for Business, Trade, Tourism and Enterprise, who supports the Cabinet Secretary for Finance and the Economy. The remit of this committee is therefore engaged.
- The remit of the Constitution, Europe, External Affairs and Culture Committee includes to consider and report on "*policy in relation to the UK's exit from the EU*". As this Bill relates to the UK's withdrawal from the EU, the remit of this committee is also engaged.
- The remit of the Equalities, Human Rights and Civil Justice Committee includes "*to consider and report on matters relating to civil justice within the*

*responsibility of the Cabinet Secretary for Justice and Veterans*”. One such responsibility is courts and sentencing. The Bill includes enforcement measures that fall to the Court of Session in Scotland in a civil capacity, thus engaging this committee’s remit.

- The regime set out in the Bill extends to many policy areas. The LCM specifies the following examples: the environment, agriculture, fisheries, tourism and transport. There are therefore a number of further committee remits that could be potentially engaged, though less directly as the Bill itself does not make particular policy provision in these areas, it just applies the subsidy regime broadly to encompass them.

7. It is considered that the Economy and Fair Work Committee has the primary interest in this LCM as the subject matter of the Bill is most clearly within its remit. However, formal designation of that committee as lead committee does not, of course, preclude any other committee whose remit is engaged from considering the LCM if it so wishes.

8. The LCM will also be considered by the Delegated Powers and Law Reform Committee in regard to any provisions in the Bill conferring powers on the Scottish Ministers to make subordinate legislation.

### **Recommendation**

9. The Bureau is invited to consider recommending to the Parliament by motion that it agrees, under Rule 9B.3.5, to designate the Economy and Fair Work Committee as the lead committee to consider and report on the LCM.

10. A draft motion is provided below.

**Parliamentary Business Team  
November 2021**

**Draft Parliamentary Bureau motion on the Subsidy Control Bill (UK Legislation):**

**Designation of Lead Committee** – That the Parliament agrees that the Economy and Fair Work Committee be designated as the lead committee in consideration of the legislative consent memorandum in relation to the Subsidy Control Bill (UK Legislation).