



The Scottish Parliament
Pàrlamaid na h-Alba

Delegated Powers and Law Reform Committee

Michelle Ballantyne MSP
Convener
Economy, Energy and Fair Work
Committee

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Corporate Insolvency and Governance Bill (UK Parliament legislation)

Dear Michelle,

At its meeting on 9 June, the Delegated Powers and Law Reform Committee considered the delegated powers in the Corporate Insolvency and Governance Bill.

The Committee agreed to highlight the following issues for your consideration. The Committee nevertheless appreciates that due to timings your Committee may not have time to fully consider it in your own response on the Legislative Consent Memorandum. This letter has therefore also been copied to the Cabinet Secretary for Economy, Fair Work and Culture.

Clause 1 and section A49(3): Power to modify this Part etc in relation to certain companies

Schedule 1: GB moratoriums: eligible Companies: Schedule ZA1: paragraph 22: eligible companies)

In relation to the above delegated powers in the Bill, the Committee wishes to highlight the flexibility available to the Scottish Ministers to make the regulations subject to the negative procedure for the first 6 months after Royal Assent. You may wish to consider whether the justification given by the UK Government for that flexibility – the need to respond quickly to the challenges that may be faced by registered social landlords in the current economic climate – is acceptable from a policy perspective.

In considering this matter, you may also wish to note the Scottish Government's commitment in the LCM to regularly review and report on those elements of the Bill which are made for Coronavirus-related purposes. This commitment would extend to

regulations made under these powers, including those made under the negative procedure.

Clause 18 - Regulations to amend legislation: Great Britain

The Committee also draws your attention to the powers in clause 18 which are exercised by the UK Ministers, after consultation with the Scottish Ministers, to make provision within devolved competence. There would therefore be no formal means by which the Scottish Parliament could scrutinise such regulations, nor be notified that they had been laid before the UK Parliament. The Committee is of the view that the Scottish Parliament should have the opportunity to effectively scrutinise the exercise of all legislative powers which make provision within devolved competence.

No explanation is given in the LCM of why it is considered appropriate for the power to be conferred on the Secretary of State following consultation with the Scottish Ministers, but with no corresponding power of the Scottish Ministers to make regulations within devolved competence. This is something you may wish to consider.

I hope you find this letter useful in your consideration of this Bill.

Yours sincerely,



Bill Bowman
Convener of the Delegated Powers and Law Reform Committee