

Agenda Supplement – Legislation, Justice and Constitution Committee

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| Meeting Venue: | For further information contact: |
| Video conference via Zoom | P Gareth Williams |
| Meeting date: 16 June 2025 | Committee Clerk |
| Meeting time: 09.45 | 0300 200 6565 |
| | SeneddLJC@senedd.wales |

Remote – Supplementary Pack

Please note the documents below are in addition to those published in the main Agenda and Reports pack for this Meeting

5 Inter–Institutional Relations Agreement

(09.55 – 10.00)

5.1 Notifications from the Welsh Government: Meetings of inter–ministerial groups

(Pages 1 – 3)

Attached Documents:

LJC(6)–19–25 – Paper 18 – Letter from the Cabinet Secretary for Transport and North Wales: Transport Inter–Ministerial Standing Committee, 13 June 2025

LJC(6)–19–25 – Paper 19 – Letter from the Cabinet Secretary for Economy, Energy and Planning: Inter–Ministerial Group for Trade, 13 June 2025

8 Bus Services (Wales) Bill: Draft report

(10.05 – 10.25)

(Pages 4 – 5)

Attached Documents:

LJC(6)–19–25 – Paper 20 – Letter from the Cabinet Secretary for Transport and North Wales, 12 June 2025



11 Review of the implementation of the UK–EU Trade and Cooperation Agreement: Draft report chapter

(10.40 – 10.50)

(Pages 6 – 29)

Attached Documents:

LJC(6)–19–25 – Paper 15 – Draft chapter

12 Supplementary Legislative Consent Memorandum (Memorandum No. 3) on the Public Authorities (Fraud, Error and Recovery) Bill: Draft report

(10.50 – 10.55)

(Pages 30 – 44)

Attached Documents:

LJC(6)–19–25 – Paper 16 – Draft report

LJC(6)–19–25 – Paper 17 – Welsh Government response to the Committee’s report on the Legislative Consent Memorandum and Supplementary Legislative Consent Memorandum (Memorandum No. 2), June 2025

Our Ref/KS/PO/290/2025

Llywodraeth Cymru
Welsh Government

Mike Hedges MS
Chair
Legislation, Justice and Constitution Committee
Senedd Cymru

SeneddLJC@senedd.wales

13 June 2025

Inter-Institutional Relations Agreement: Transport Inter-Ministerial Standing Committee

I am writing in accordance with the inter-institutional relations agreement to notify you that I represented Welsh Government at the Transport Inter-Ministerial Group held on 5th March 2025.

This meeting was chaired by me. A joint communique will be published [here](#) in due course.

I raised the topic of Ports Resilience following the Holyhead Port closure due to Storm Darragh. The positive response to Holyhead closure was noted as an excellent example of cross-nation working. Our discussion focused on improving strategic resilience and forward planning across the four nations. I highlighted the new Taskforce on sea connectivity between Wales and Ireland that we have set up and invited representation from all governments. There was support from all ministers for improved ports resilience and for tangible and practical outcomes from the Task Force.

Second on the agenda was Motoring Tax Reform and we discussed the UK Government's consultation on the emission trading scheme. It was noted that local powers were already in place for congestion or poor air quality and that the UK Treasury were the lead for the balance between EV taxation and duty. There was agreement to maintain dialogue and cooperation on this issue with Transport IMG and that the discussion would be fed back to the relevant Ministers in UK Government.

Finally, we discussed the use of E-scooters and I raised interest in being kept informed of the results of the trials in England to help inform policy development. There was agreement to work collaboratively on potential extensions of trials and to maintain dialogue between governments as policy develops.

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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.

I will be attending the next meeting of the Transport Inter-Ministerial Group scheduled for 25th June 2025.

I am copying this letter to the Chair of the Climate Change, Environment, and Infrastructure Committee.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken', enclosed in a thin black rectangular border.

Ken Skates AS/MS

Ysgrifennydd y Cabinet dros Drafnidiaeth a Gogledd Cymru
Cabinet Secretary for Transport and North Wales

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio



Llywodraeth Cymru
Welsh Government

Mike Hedges MS
Chair of Legislation, Justice and
Constitution Committee

SeneddLJC@assembly.wales

13 June 2025

Dear Mike,

I am writing to inform you, in line with the inter-institutional relations agreement, that a meeting of the Inter-Ministerial Group for Trade took place on 2 June 2025.

The meeting was also attended by

- Douglas Alexander, UKG Minister of State (Minister for Trade Policy and Economic Security)
- Richard Lochhead, Scottish Government Minister for Business
- Caoimhe Archibald, Northern Ireland Economy Minister

Officials from all three territorial offices were also in attendance.

The meeting discussed the US-UK Economic Prosperity Deal and the UK-India Free Trade Agreement as well as the UK-EU Common Understanding agreement. During the meeting all parties discussed the ongoing engagement needed for the successful conclusion and implementation of these negotiations.

Rebecca

Rebecca Evans AS/MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

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Agenda Item 8

Ysgrifennydd y Cabinet dros Drafnidiaeth a Gogledd Cymru
Cabinet Secretary for Transport and North Wales



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref – KS/PO/287/2025

Mike Hedges MS Chair
Legislation, Justice and Constitution Committee
Senedd Cymru
Cardiff
CF99 1NA

12 June 2025

Dear Mike

Bus Services (Wales) Bill

Thank you for inviting me to give evidence on the Bus Services (Wales) Bill to the Committee 12 May 2025. I am writing to provide you with the further information requested by the Committee.

1. I offered to provide further briefing on the differences between the definition of local bus services in the Bill compared to the definition in the 1985 Act.

Under the Bill a “local bus service” is a service with one or more stopping places in Wales; using one or more public service vehicles; for the carriage of passengers by road at separate fares, and for each embarkation point, the next disembarkation point must be less than 15 miles away (when measured in a straight line).

The definition in Section 1 is similar to the definition under section 2 of the Transport Act 1985 and aligns with the existing definition for all practical purposes. However, there are some key differences:

- Services must have one or more stopping places in Wales.
 - Given that the Bill seeks to establish a Welsh national bus network a definition capturing services operating in Wales was needed.
- Excursions or tours and rail replacement services are excluded from the definition.

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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.

- It is not the intention for these types of service to be secured by the Welsh Ministers therefore they are not local bus services for the purposes of the Bill.
- The word “bus” is included in the definition within the Bill as this word gives important information to the reader about the nature of the services the Bill is dealing with.
 - This does not appear within the definition in section 2 of the 1985 Act.

The definition in section 2 did not fulfil our brief as to what the Bill was to capture. Excursions or tours and rail replacement services have been excluded from the Bill’s definition of local bus services. It was also felt that the definition in the 1985 Act was overly complicated.

2. I also offered to provide you with an update on the publication of the full Justice Impact Assessment

The Justice System Impact Identification was published on 21 May 2025. We have been informed that the Clerk has shared this with you. It is also available here: www.gov.wales/bus-services-wales-bill.

We thank Committee for their patience in awaiting this document.

Once again, I want to thank the Committee for their time and if you have any further questions, please let me know.

Yours sincerely



Ken Skates AS/MS

Ysgrifennydd y Cabinet dros Drafnidiaeth a Gogledd Cymru
Cabinet Secretary for Transport and North Wales

Agenda Item 11

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted

Agenda Item 12

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted

The Welsh Government's Legislative Consent Memorandum on the Public Authorities (Fraud, Error and Recovery) Bill

Welsh Government response to the Legislation, Justice and Constitution Committee's report

11 June 2025

On 7 February 2025, Jane Hutt MS, Cabinet Secretary for Social Justice, Trefnydd and Chief Whip laid before the Senedd a Legislative Consent Memorandum (LCM) (Memorandum No.1) in respect of the Public Authorities (Fraud, Error and Recovery) Bill. On 6 March 2025, the Cabinet Secretary laid before the Senedd a Supplementary Legislative Consent Memorandum (Memorandum No. 2) in respect of the same Bill

The Senedd's Business Committee agreed the Legislation, Justice and Constitution Committee and the Public Accounts and Public Administration Committee should report on all Memoranda relating to the Bill.

The Legislation, Justice and Constitution Committee (LJCC) produced a report on 1 May 2025. This is the Welsh Government response to that report.

Introduction

The Public Authorities (Fraud, Error and Recovery) Bill ("the Bill") was introduced in the House of Lords on 22 January 2025, for the First Reading. The Bill can be found at: [Public Authorities \(Fraud, Error and Recovery\) Bill](#).

The Bill is sponsored by the Cabinet Office's Public Sector Fraud Authority (PSFA) and the Department for Work and Pensions (DWP). The Bill makes provisions to better identify, prevent and deter public sector fraud and error and enable the better recovery of money (debt) owed to the taxpayer where public money has been obtained by fraud or overpaid.

The Welsh Government laid its Legislative Consent Memorandum (LCM) (Memorandum No.1) before the Senedd on 7 February 2025 in respect of clauses 1, 2, 5, 6, 7, 9, 10, 64, 65, 67 and 69 of PART 1 of the Bill, together with Schedules 1 and 2 as introduced to Parliament. Subsequently, a Supplementary LCM (Memorandum No. 2) was laid on 6 March 2025.

The Senedd's Business Committee referred Memoranda No. 1 and No.2 to the Public Accounts and Public Administration Committee and the Legislation, Justice and Constitution Committee (LJCC). The LJCC laid its report on the LCM and Supplementary LCM on 1 May 2025, arriving at two conclusions and making two recommendations for the consideration of the Cabinet Secretary for Social Justice, Trefnydd and Chief Whip. This report contains the Cabinet Secretary's response to these recommendations.

Since the laying of the previous Memoranda, a second Supplementary LCM (Memorandum No. 3) has been laid by the Cabinet Secretary, on 7 May 2025. The Business Committee has commissioned further scrutiny of this Supplementary LCM. However, the report on this further scrutiny has yet to be laid and this response addresses only the LJCC Report on the initial LCM and first Supplementary LCM.

Response to issues raised by the Committee

This response addresses the two conclusions and two recommendations of the LJCC Report laid on 7 February 2025 and uses the section numbering found in the Bill as introduced to the House of Commons on 22 January 2025.

Conclusion 1

We agree with the Welsh Government's assessment, as set out in the Memorandum, of the provisions within the Bill which require consent of the Senedd in accordance with Standing Order 29; but this is subject to our views set out in conclusion 2.

No response required.

Conclusion 2

We consider that all clauses in Part 1 of the Bill contain provision that have regards to devolved matters (to the extent that the Minister for the Cabinet Office could exercise the powers and functions in Part 1 on behalf of a Devolved Welsh Authority) and, as such, the Senedd's consent should be sought for the entirety of Part 1.

No response required.

Recommendation 1

The Cabinet Secretary should provide clarity and detailed reasoning as to why the Welsh Government does not consider that the Senedd's consent should be sought for the entirety of Part 1 of the Bill. In responding, the Cabinet Secretary should specifically address why the Welsh Government considers consent is required for clause 7 but not clause 3.

Response: Accept

The subject-matter of Part 1 of the Bill relates to matters which are reserved by operation of paragraph 39 of Schedule 7A to the Government of Wales Act 2006 ('GoWA') ("prevention, detection and investigation of crime"). Consequently, Part 1 of the Bill is, largely, outside the legislative competence of the Senedd.

However, there are some provisions which are seen to affect Devolved Welsh Authorities (DWAs), including, in the case of some clauses, the conferral of functions on DWAs. These specific clauses are considered to meet the test set out in Standing Order (SO) 29 of the Senedd Standing Orders ('the SO29 Test') and, therefore, are considered to require Legislative Consent. This is not the case for the majority of clauses in Part 1 of the Bill.

Although Part 1 of the Bill is titled "Functions exercisable on behalf of public authorities" the nature of almost all these functions means they are, essentially, functions of the Minister/PSFA and will be exercised as they see fit, without reference to the referring public authority, including DWAs (which do not have these functions themselves). For this reason, most of the functions in Part 1 (including clause 3) do not materially impact DWAs. Where a provision of the Bill does confer a specific function for public authorities (e.g. clause 5) an LCM has been laid in respect of it.

Clause 7 (together with Schedule 1) does not confer functions on public authorities/DWAs but it does enable the Minister/PSFA to use intrusive powers of search and seizure during an investigation into fraud perpetrated against a public authority. Such investigations may well involve the use of coercive powers against individuals and businesses in Wales to recover money for DWAs. Therefore, the use of these powers could significantly affect the reputation of DWAs and their relationship with the individuals in Wales whom they serve. An LCM was also laid in respect of Clause 6 (which enables the obtaining of communications data) for similar reasons.

Recommendation 2

The Cabinet Secretary should explain whether the Welsh Government requested powers in the Bill for the Welsh Ministers equivalent to those delegated to the Minister for the Cabinet Office to act in devolved areas and which could be exercised concurrently with the UK Government.

Response: Accept

Whilst there might be benefits in Welsh Ministers holding powers to undertake investigations and to deploy civil recovery powers as alternatives to the higher bar applicable in criminal proceedings, the Welsh Government has not requested equivalent powers in the Bill for the Welsh Ministers.

In the view of the Cabinet Secretary, the need for these powers in Wales is not equivalent to the need in England. The Welsh Government is not immune to both opportunistic and targeted fraud but the fraud risk carried by the UK Government is substantially and proportionately greater due to the much larger budget spent and the nature of that expenditure (such as benefit payments) which puts it at greater risk. Considering the difference in fraud risk profiles, together with potential diseconomies of scale and the difficulties of maintaining the specialist skills required which Wales would experience as a much smaller administration, the Cabinet Secretary is of the view the inclusion of access to the PSFA for DWAs within the provisions of the Bill provides a sufficient, effective, cost-efficient and proportionate option.

As a centre of counter fraud excellence, Welsh Ministers will be able to access and benefit from the collective expert skills and specialisms employed by the PSFA, as well as its considerable fraud intelligence and the investment it will be able to make in new counter fraud tools and techniques. In particular, the ability to analyse and evaluate large data sets from across the whole of the United Kingdom may prove to be valuable, particularly because fraudsters are not respecters of administrative boundaries in their commission of fraud crimes.

The PSFA is leading on the professionalisation of counter fraud services within the UK Civil Service and this leadership will also serve to ensure consistent, high-quality investigative services are freely available for the Welsh Government's use. Therefore, the Welsh Government's policy objectives are to support the UK Government to create a fraud investigation and enforcement agency that is consistent and coherent. This is considered important given the nature of fraud and the recognised benefits for public bodies in it being pursued effectively.