

National Assembly for Wales

Equality, Local Government and Communities Committee

Report on the Supplementary Legislative Consent Memorandum for the Financial Guidance and Claims Bill

Background

01. On 5 July 2017 the then Cabinet Secretary for Communities and Children laid a Legislative Consent Memorandum ¹ for the Financial Guidance and Claims Bill² currently before the UK Parliament.
02. On 11 July, the Business Committee referred the LCM to the Children, Young People and Education Committee for consideration. On 19 July, because elements of the LCM fall within the Equality, Local Government and Communities Committee's ('the ELGC Committee') remit, it was also referred to the ELGC Committee. The Committee reported on this LCM in October 2017. ³
03. A Supplementary LCM, following the agreement of amendments to the Bill at Westminster, was laid by the Welsh Government on 30 November.⁴ On 6 December, the Business Committee wrote to the Equality, Local Government and Communities Committee to ask if we could consider the supplementary LCM by 9 January. We agreed to this, but the date of the debate was subsequently changed, and the Business Committee then asked that we report by 9 February.

Provisions for which consent is sought.

04. The Financial Guidance and Claims Bill creates a single body, the 'Single Financial Guidance Body' (the 'SFGB') which will be responsible for all public financial guidance and to protect consumers from widespread malpractice across the Claims Management Sector. Our earlier report on the LCM, covered the broad provisions of the Bill.

¹ [Legislative Consent Memorandum: Financial Guidance and Claims Bill](#)

² [Financial Guidance and Claims Bill](#)

³ [ELGC Committee report on the Legislative Consent Memorandum: Financial Guidance and Claims Bill](#)

⁴ [Supplementary Legislative Consent Memorandum: Financial Guidance and Claims Bill](#)

05. The Supplementary LCM seeks consent for amendments that were agreed by the House of Lords on 21 November. The Supplementary LCM states that the amendments to clauses , 20 and 30 and new clauses 7 and 8 will provide for the SFGB within 3 months of being established to advise on the establishment of a ‘debt respite scheme’ if requested to do so by the Secretary of State.

Legislative competence

06. The test for determining whether legislative is within the legislative competence of the Assembly is to assess:

- Whether the provision fairly and realistically relates to a devolved subject in Schedule 7 to the Government of Wales Act (2006); and
- Whether any of the exceptions in Schedule 7 apply.

07. The Welsh Government relies on the Assembly’s legislative competence under subject 5 ‘Education and Training’, subject 15, ‘Social Welfare’ and subject 4 ‘Economic development’ in Schedule 7. It states that the provisions to which it refers do not fall within any of the exceptions specified in any Part of the Schedule.

Committee consideration

08. We considered the Supplementary LCM on 6 December. At this meeting we agreed to seek clarity from the Welsh Government on to the extent to which the provisions identified in the original LCM were within the Committee’s consideration. (A copy of the correspondence is attached as Annex 1)

09. We received a response from the Minister for Housing and Regeneration (attached as Annex 2), which sets out how both the provisions within the original LCM and the Supplementary LCM are within the Assembly’s legislative competence. We are content with the response.

Committee conclusion

10. We agree with the Welsh Government that a supplementary LCM is necessary as the provisions requiring consent are within the legislative competence of the Assembly. We see no reason for the Assembly to reject the Supplementary LCM.

