[Letter to the Prime Minister from the European Scrutiny Committee Chair, Bill Cash]

Please find below Bill Cash's letter to the Prime Minister:

European Scrutiny Committee
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From: Sir William Cash MP

15 May 2023

Rt Hon. Rishi Sunak MP
Prime Minister
10 Downing Street
London SW1A 2AA

Change in Government policy on Retained EU Law and the Retained EU Law (Revocation and Reform) Bill

Dear Prime Minister

On 21 July last year, after a five month inquiry, my Committee reported on the future of Retained EU Law (REUL). During our inquiry, we heard in evidence from 13 expert witnesses and the (then) Secretary of State for Business, Energy and Industrial Strategy, Rt Hon. Jacob Rees-Mogg MP.1 Shortly after we reported, the Government published the Retained EU Law (Revocation and Reform) Bill (REUL(R&R) Bill). The Government engaged with our work and we were pleased to see a number of our recommendations given effect in the REUL(R&R) Bill.

Recent Government engagement and the Secretary of State for Business and Trade's non-attendance before the Committee

This experience stands in stark contrast to our more recent engagement with the Government on the Bill. On 24 February, we invited the Secretary of State for Business and Trade, Rt Hon. Kemi Badenoch MP, to give evidence to us on the Government's progress on the REUL(R&R) Bill and its 'Brexit opportunities' work.2 We have written twice since, requesting her attendance before the Committee. On Thursday 11 May, I asked her on the floor of the House if she would appear before us, as did Rt Hon. David Jones M.

The Secretary of State is yet to commit to appear before the Committee. This state of affairs is unacceptable: Select Committees are vital to effective scrutiny and good law- and policy-making. A Select Committee should not be put in the position where it has asked a Secretary of State to appear five times to give evidence, over three months, without a clear commitment being forthcoming. The Secretary of State’s failure to appear has frustrated our work on REUL and Brexit opportunities, and is not an issue I would ever have expected to be raising with a Prime Minister.

This situation has taken on a more concerning hue in recent days. As you are aware, on Wednesday the Government tabled amendments in the Lords to the REUL(R&R) Bill. These amendments signal a significant change in the Government’s policy on REUL. The House was informed of this change in a Written Ministerial Statement on Wednesday afternoon and adequate explanatory materials, such as a White Paper, have not yet been forthcoming. This series of events was deemed so serious by Mr Speaker that he granted my Urgent Question (UQ) on the matter on Thursday morning. Save for my UQ, Members would not have had an opportunity to question the Secretary of State on the Government’s plans ahead of Lords Report Stage, which starts today. This approach to scrutiny is deeply concerning and a worrying parallel can be drawn with how the Government handled the Windsor Framework: a major policy announcement accompanied by artificially set deadlines with no meaningful opportunity for input by Members. We hope this is not a trend that will continue. Parliament and the scrutiny function entrusted to us by the electorate are too important to ride over roughshod.

On the content of the Government’s amendments to the REUL(R&R) Bill, we have serious concerns about: (i) the removal of the ‘sunset Clause’; (ii) the Schedule of REUL to be revoked; and (iii) the Government’s policy on REUL and its Brexit opportunities work. i. The removal of the ‘sunset Clause’ Clause 1 of the REUL(R&R) Bill, as introduced, would ‘sunset’ EU-derived domestic subordinate legislation and retained direct EU legislation on 31 December 2023. It would ensure that the majority of REUL would cease to exist on the domestic statute book as of the end of the year (unless specifically retained). The December 2023 sunset was justified by the Government as necessary to “accelerate reform and planning for future regulatory changes, benefitting both UK businesses and consumers sooner”. The Government also said upon the Bill’s publication: HCWS764 [on Regulatory Reform Update], 10 May 2023 6 Explanatory Notes to the Retained EU Law (Revocation and Reform) Bill [Bill 156 (2022-23)—EN], para 17.

The sunset will increase business certainty by setting the date by which a new domestic statute book, tailored to the UK’s needs and regulatory regime will come into effect. Clause 2 of the Bill would allow the sunset to be extended beyond 31 December 2023 “ensuring the efficiency of the REUL revocation process should a lack of parliamentary time, or external factors, hinder progress towards reform of retained EU law prior to the 2023 sunset date”. The Government amendment tabled in the Lords on Wednesday would remove the default sunset clause and, by virtue of this change, also remove the ability for it to be extended. Instead, only legislation listed in the Schedule would be revoked.

In a letter to the Committee on 10 May, the Secretary of State stated that the removal of the Bill’s sunset would “provide certainty for business by making it clear which regulations will be removed from our statue book”. This argument and that justifying the sunset clause on the introduction of the Bill are mutually contradictory.

The Secretary of State has referred to the Bill as pursuing a policy of ‘preservation’ of REUL. This is wrong. The Bill, as drafted, would revoke all EU-derived subordinate legislation and retained direct EU legislation on 31 December, apart from that explicitly singled out to be saved. The Government’s amendments on Report in the Lords would preserve all 4,000 plus instances of REUL identified, minus those covered in the proposed new Schedule (600) and those instances to be dealt with elsewhere (e.g. the under the Financial Services and Markets Bill). A well-resourced REUL identification programme, which was promised by the Government in January last year, coupled with effective Ministerial oversight, would deliver the certainty business rightly demand and the effective and nimble post-Brexit statute book they have been promised. Clause 2 of the Bill was a sensible inclusion that could be exercised should progress towards the reform of REUL not be as quick as anticipated. It is unclear why this safety net is now deemed insufficient.

Letter from Rt Hon. Kemi Badenoch MP to Sir William Cash MP, 10 May 2023

ii. The Schedule of REUL to be revoked

The Government amendment tabled in the Lords would replace the clause 1 sunset mechanism with a Schedule of around 600 pieces of REUL to be revoked at the end of December this year. It is important to remember the reasons why the Bill was introduced. In its ‘Benefits of Brexit’ policy paper, the Government said “[we] will now prioritise areas where reform of retained EU law can deliver the greatest economic gain”.10 In her letter of 10 May, the Secretary of State says “the Government are committed to lightening the regulatory burden for businesses and helping to spur economic growth”. It is clear that the vast majority of instances of REUL to be revoked under the Schedule would do no such thing.

Our initial assessment shows that, almost without exception, the REUL detailed in the Schedule relates to matters that are trivial, obsolete and are not legally and/or politically important. Revocation of this REUL cannot be construed as lightening the regulatory burden for businesses or spurring economic growth. This is a worrying mischaracterisation and begs the question as to what the real purpose of the Schedule is. Examples of REUL that would be revoked under the Schedule include:

- temporary exemptions to repealed EU rules on limits to working hours for drivers during the 2001 foot-and-mouth outbreak;
- authorisation for EU Member States to ratify the 2006 Maritime Labour Convention;
- quota rules for the import of 8,000 tonnes of wheat bran originating in the ACP States into the French overseas territory of Réunion;
- rules on the allocation of fishing opportunities for the Democratic Republic of São Tomé and Príncipe; and
- the setting of fishing opportunities for anchovy in the Bay of Biscay for the 2011/2012 fishing season (it is worth noting that in excess of 150 instances of REUL included in the Schedule relate to fishing).

iii. The Government’s policy on REUL and Brexit opportunities

The Government’s Benefits of Brexit paper was also clear that REUL would be reviewed to meet the UK’s priorities, with a view to “unlocking growth” and making sure it is “tailor-made for the UK market”.

The policy paper was published in January 2022—almost a year and a half ago—and states “the Government will now prioritise areas where reform of retained EU law can deliver the greatest economic gain.”13 This task was deemed sufficiently important by the Government that a dedicated ‘Brexit opportunities unit’ was setup working out of the Department of Business, Energy and Industrial Strategy and charged with coordinating and setting the methodology for the identification of REUL across Whitehall. The REUL(R&R) Bill is the mechanism through which the Government’s Brexit opportunities work was to be delivered. We have been concerned since the start of the year that the Government’s Brexit opportunities work, including that identifying REUL, has not been progressing as promised. I restate our suggestion, which I made to the Secretary of State on 24 February, that the Government should appoint a REUL ‘Tsar’, tasked with ensuring the Government delivers on its commitments.

The Government must restate its plans for the substantive reform of REUL. This is necessary in light of the aforementioned uncertainty, the broad powers the Bill provides Ministers to amend REUL and the Government’s desire to provide clarity and certainty to businesses moving forward. We request a full update on the status of the Government’s Brexit opportunities work, the areas it is prioritising for reform through the Bill, and when these changes are now scheduled to take place. We also ask you to ensure the appearance of the Secretary of State before the Committee in good time.

I request a response to this letter as a matter of urgency, owing to the Government scheduling Report Stage of the REUL(R&R) Bill in the Lords for today and Wednesday.

I am copying this letter to the Secretary of State for Business and Trade, Rt Hon. Kemi Badenoch MP.

Regards

Chair

Written Answer from the Department for Energy Security and Net Zero – smart meters

Department for Energy Security and Net Zero provided the following answer to your written parliamentary question (184254):

Question:

To ask the Secretary of State for Energy Security and Net Zero, what steps he plans to take to use smart meters to reduce peak time electricity demands. (184254)
Tabled on: 10 May 2023

Answer:
Amanda Solloway:

Smart meters are making our energy system more efficient and flexible, helping us manage electricity demand at peak times. The half-hourly energy consumption information from smart meters is enabling innovative products and services for consumers such as 'time of use' tariffs, which offer cheaper rates when demand is low or when there is excess clean electricity available.

Smart meters have enabled National Grid ESO's Demand Flexibility Service. This had positive results through savings to households in the form of reduced energy bills, and reduced energy usage during peak times which helped to balance the electricity network last winter. The ESO is currently undertaking a review to inform the future evolution of the Demand Flexibility Service.

The answer was submitted on 16 May 2023 at 15:46.

Letter from Barclays regarding bank closure in Wokingham

I have received the e-mail below in response to my comments regarding the closure of Barclays Bank in Wokingham later this summer. I would be interested in hearing the views of my constituents who will be affected by the closure.

Dear Sir John Redwood,

Thank you for your email regarding the closure of our Wokingham branch.

I want to reassure you that we know face-to-face banking continues to play an important role for some of our customers in Wokingham, and following the branch closure we are seeking to provide a continued presence in the community via a new alternative physical touchpoint, either at a local retail outlet or via a local community space. This is aimed at providing dedicated in person colleague support for customers with complex financial needs and non-transactional services, without the need for travel. We are progressing the local arrangements as we speak and we will of course let you and our customers know more details once finalised.

Turning to shared banking hubs, as a result of the new arrangements announced by Cash Access UK (formerly the Cash Action Group), LINK (the organisation that oversees the ATM network) undertakes an independent review of each community to be impacted by banking service closures to assess their cash needs. Following that review, LINK has the autonomy to commission new cash services, which could be an ATM, enhancements to local Post Office facilities or a Bank Hub, if an unmet need is identified. To confirm no additional access to cash facility needs have been identified following Barclays Wokingham branch closure and the removal of the ATM. As outlined below, the nearest free-to-use ATMs are located at Lloyds and HSBC, Market Place, Wokingham.

More broadly, we continue to work with Cash Access UK on shared solutions with our peers, as we continue to collaborate on innovative and sustainable solutions for customers to bank in different ways or lack confidence in a digital world. In addition, communities are able to request a review from LINK should they feel they have an unaddressed problem with access to cash https://www.link.co.uk/consumers/request-access-to-cash/access-to-cash-in-your-area/.

Finally, we would encourage any of our customers with concerns to talk to colleagues at the Barclays Wokingham branch, or if you are contacted and able to pass on their details, I will organise for one of my colleagues to reach out directly.

Please do not hesitate to contact me if I can help further and I am of course very happy to arrange a call with Liz Smith, Barclays Customer Care Director, to discuss this in more detail. If you have any questions in the meantime, please do not hesitate to contact me.

With kind regards,

Julia Husband

[My interview with Times Radio](#)

Please find below my interview with Times Radio where we discussed the need for tighter controls on immigration and a focus on economic growth.

You can find it between 2:10:06-2:16:47.

https://www.thetimes.co.uk/radio/show/20230516-16757/2023-05-16

Taxpayers to pay for carbon capture and storage

I now have a letter following my question to the Minister. This confirms that taxpayers will put up £20bn, there will be a new tax added, and levies on customer bills. Will all our competitors do the same? The problem with this "investment" is it entails doing something no-one wants to pay for. It needs more taxes to deliver. It will help make the UK less competitive, speeding the transfer of jobs in energy intensive areas to other countries.

Dear John,
Thank you for your question in the House of Commons on 30 March, and for your written
questions tabled on 14 April, regarding the source of the recently announced £20 billion
in Carbon Capture, Usage and Storage (CCUS) funding.
In the Spring Budget the Chancellor announced £20 billion in funding to store carbon and
create jobs through Track-1 CCUS clusters and beyond. This is an unprecedented
investment in the early development of CCUS to help meet the Government's climate
commitments.
The announced funding will come from levy and Exchequer sources. We expect it to
crowd-in billions of pounds of additional private capital, creating jobs and bringing
investment to our industrial heartlands.
The Government will use Exchequer funding to support industrial carbon capture business
models and the Carbon Capture and Storage Infrastructure Fund (CIF). A dispatchable power
agreement for power generation with CCUS will be funded through consumer levies. Support
for CCUS-enabled hydrogen projects will be funded by a new hydrogen levy on energy bills,
subject to consultation and legislation. As currently proposed, the Revenue Support
Agreement (RSA) for transport and storage will use both taxpayer and consumer funding.
Thank you again for your questions.