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### Delegated Powers and Law Reform Committee Comataidh Cumhachdan Tiomnaichte is Ath-leasachadh Lagh

# Heat Networks (Scotland) Bill: Stage 2

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# Delegated Powers and Law Reform Committee

The remit of the Delegated Powers and Law Reform Committee is to consider and report on the following (and any additional matter added under Rule 6.1.5A)— (a) any—

(i) subordinate legislation laid before the Parliament or requiring the consent of the Parliament under section 9 of the Public Bodies Act 2011;

(ii) [deleted]

(iii) pension or grants motion as described in Rule 8.11A.1; and, in particular, to determine whether the attention of the Parliament should be drawn to any of the matters mentioned in Rule 10.3.1;

(b) proposed powers to make subordinate legislation in particular Bills or other proposed legislation;

(c) general questions relating to powers to make subordinate legislation;

(d) whether any proposed delegated powers in particular Bills or other legislation should be expressed as a power to make subordinate legislation;

(e) any failure to lay an instrument in accordance with section 28(2), 30(2) or 31 of the 2010 Act;

(f) proposed changes to the procedure to which subordinate legislation laid before the Parliament is subject;

(g) any Scottish Law Commission Bill as defined in Rule 9.17A.1; and

(h) any draft proposal for a Scottish Law Commission Bill as defined in that Rule.

(i) any Consolidation Bill as defined in Rule 9.18.1 referred to it in accordance with Rule 9.18.3.



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### **Committee Membership**



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# Introduction

- 1. At its meeting on 16 February 2021, the Delegated Powers and Law Reform Committee considered the delegated powers in the Heat Networks (Scotland) Bill ("the Bill") as amended at Stage 2.<sup>i</sup>
- 2. The Committee submits this report to the Parliament under Rule 9.7.9 of Standing Orders.
- 3. The Committee published its Stage 1 Report on the Bill on 25 September 2020<sup>ii</sup>; it reported it was content with the delegated powers provisions contained in the Bill.
- 4. The Bill completed Stage 2 on 26 January 2021.

i The Bill as introduced is available <u>here</u>

ii <u>Delegated Powers and Law Reform Committee, 57th Report 2020 (Session 5): Heat</u> <u>Networks (Scotland) Bill: Stage 1</u>

### **Overview of the Bill**

- 5. This Scottish Government Bill was introduced by the Cabinet Secretary for Transport, Infrastructure and Connectivity, Michael Matheson MSP, on 2 March 2020. The lead committee is the Economy, Energy and Fair Work Committee.
- 6. The Policy Memorandum prepared by the Scottish Government states that the purpose of the Bill is to "encourage greater deployment of heat networks in Scotland, in order to help reduce emissions from heating homes and buildings".
- 7. A heat network is a distribution system of insulated pipes that take heat from a central source and deliver it to a number of buildings.
- 8. The Policy Memorandum notes that:
  - Heat networks are often more efficient than individual fossil fuel heating systems and can also be run fully from renewables or recovered waste or surplus heat sources. They can allow the heat source to be changed to one compatible with Scotland's climate change targets without further disruption to the heat users. Heat networks therefore have the capacity to reduce – or remove –the emissions associated with heating buildings and the Committee on Climate Change has recommended that heat networks should form a part of Scotland's future heat supply.

## **Delegated Powers**

- 9. The Scottish Government has produced a Supplementary Delegated Powers Memorandum<sup>iii</sup> on the new and amended powers in the Bill after Stage 2.
- 10. The Committee considered each of the new and amended delegated powers provisions in the Bill. It determined that it did not need to draw the attention of the Parliament to the delegated powers provisions provided in the following sections:
  - Section 1(7) Meaning of "heat network"
  - Section 11(8) Revocation of heat networks licence
  - Section 11A(1) Appeals against revocation of heat networks licence
  - Section 18A(1) Designation of local authority as consent authority for the area of the local authority
  - Section 24(7) Revocation of heat network consent
  - Section 24A(3) Appeals against notice of revocation given by local authority
  - Section 24B(1) Call-in of heat network consent applications etc. by the Scottish Ministers
  - Section 24B(6) Call-in of heat network consent applications etc. by the Scottish Ministers
  - Section 24C(1) Directions as to method of dealing with heat network consent applications etc. by local authorities
  - Section 24D(4) Appeals regarding applications for heat network consent etc. to local authorities
  - Section 26A Effective community engagement: guidance
  - Section 27(1) Regulations about determining applications under Part 2
  - Section 27A(1) Applications and decisions under Part 2 where there is more than one appropriate consent authority
  - Section 35A(3) Combining applications to local authorities for heat network consent and planning permission
  - Section 50(1)(c) Heat network zone permit: revocation
  - Section 50(4) Heat network zone permit: revocation
  - Section 50A(1) Appeals against revocation of heat network zone permit
  - Section 50B(1) Compensation on revocation of heat network zone permit

iii The Revised Delegated Powers Memorandum is available <u>here</u>

- Section 59(3)(a)(ii) Acquisition of necessary wayleave
- Section 61A(2)(a)(ii) Variation of network wayleave right
- Section 61B(4) Compensation on variation of a network wayleave right
- Section 61D(1) Registration of network wayleave rights
- Section 76B(1) Heat Network Supply Targets
- Section 76B(2) Heat Network Supply Targets
- Section 77(1) Fees for applications etc.

11. The Committee therefore reports that it is content with the new and amended delegated powers provisions contained in the Bill and with the choice of procedure applicable in each case.

