



The Scottish Parliament  
Pàrlamaid na h-Alba

Published 15 January 2020

SP Paper 658

1st Report, 2020 (Session 5)

## **Rural Economy and Connectivity Committee Comataidh Eaconomaidh Dùthchail is Co- cheangailteachd**

# **Legislative Consent Memorandum on the UK Direct Payments to Farmers (Legislative Continuity) Bill (LCM(S5)30)**



**Published in Scotland by the Scottish Parliamentary Corporate Body.**

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# Rural Economy and Connectivity Committee

To consider and report on matters falling within the responsibility of the Cabinet Secretary for the Rural Economy and the matters falling within the responsibility of the Cabinet Secretary for Transport, Infrastructure and Connectivity.



<http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/rural-committee.aspx>



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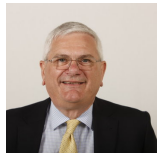
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# Executive Summary

1. This report details the Rural Economy and Connectivity Committee's consideration of the [Legislative Consent Memorandum](#) on the UK Direct Payments to Farmers (Legislative Continuity) Bill.

**The Committee recommends that the Parliament agrees the associated legislative consent motion lodged by the Cabinet Secretary for the Rural Economy.**

# Background


2. [The Direct Payments to Farmers \(Legislative Continuity\) Bill](#) was introduced to the House of Commons on 9 January 2020. The Bill converts the EU legislation governing the 2020 Common Agricultural Policy (CAP) direct payment schemes into domestic law at 11 p.m. on 31 January 2020. The Bill provides a UK wide legal basis for the direct payment schemes to continue in the 2020 claim year.
3. The LCM explains that:

” “The direct payment schemes are a key part of the EU CAP. They are a set of schemes run by the Member State administrations which deliver annual payments to farmers in return for compliance with certain conditions. They are the largest source of farm subsidy in Scotland.” <sup>1</sup>

The LCM also states that, “[d]irect payments make up the largest portion of CAP payments to Scotland’s farmers and crofters, around £400 million per annum.”. <sup>2</sup>
4. The [Explanatory Notes](#) accompanying the Bill state that the Bill ‘domesticates’ EU direct payments legislation to provide the legal basis to continue paying direct payments to farmers for claim year 2020 <sup>3</sup>. Under the terms of the Withdrawal Agreement on the UK’s withdrawal from the EU, the EU direct payments legislation will not apply in the UK for the 2020 claim year as payments for that year are funded in arrears from the EU’s new 2021 multi-annual budget. The Bill will also enable the UK Government to implement recommendations (made by the Bew Review) relating to ‘convergence funding’, which will allow an uplift in payments for the 2020 claim year to be allocated to Scotland and Wales.
5. Further information on the Bill can be found in a [SPICe briefing](#).

# Scrutiny of the Legislative Consent Memorandum

6. The Cabinet Secretary for the Rural Economy and Connectivity, Fergus Ewing lodged LCM(S5)30 on 13 January 2020. The associated draft motion which the Cabinet Secretary lodged is as follows:  
  

 That the Scottish Parliament agrees that the Direct Payments to Farmers (Legislative Continuity) Bill, introduced in the House of Commons on 9 January 2020, bringing the legislation governing the 2020 CAP direct payment schemes into domestic law, granting powers to fix deficiencies in that legislation and to keep pace with changes in EU law during the Implementation Period, in so far as these matters fall within the legislative competence of the Scottish Parliament and alter the executive competence of the Scottish Ministers, should be considered by the UK Parliament.
7. The memorandum was referred to the Rural Economy and Connectivity Committee as lead committee by the Parliamentary Bureau on 14 January 2020.
8. The Delegated Powers and Law Reform Committee (DPLRC) considered the LCM on 14 January 2020. The DPLRC [wrote to the Committee](#) on 14 January to advise it had no concerns with the specific powers delegated in the Bill. However, it advised that it had also written to both the Cabinet Secretary for Government Business and Constitutional Relations Secretary of State for Environment, Food and Rural Affairs expressing a number of concerns around the short timescales for the Parliament and its Committees to scrutinise both the LCM and the associated legislation expected to follow.
9. As part of its scrutiny of the LCM, the Committee took evidence from the Cabinet Secretary for the Rural Economy and his officials on 15 January 2020. The Committee questioned the Cabinet Secretary on the timing of the Bill and LCM and whether these could have been brought forward earlier. Members also probed the Cabinet Secretary on the relationship between the UK Direct Payments for Farmers (Legal Continuity) Bill and the Agriculture (Retained EU Law and Data) (Scotland) Bill, to understand the context within which these pieces of legislation were required to maintain direct payments to farmers post-Brexit.
10. Full details of the Committee's discussion of the LCM on 15 January 2020 can be viewed in the [Official Report](#) of its meeting (expected to be published on 17 January).



## Conclusions and recommendation

11. The Committee has considered the LCM on the Direct Payments to Farmers (Legislative Continuity) Bill. The Committee agrees with the Scottish Government that, without this Bill, direct payment schemes to farmers and crofters would not apply in Scotland or other parts of the UK in the 2020 claim year as a result of the UK's withdrawal from the EU under the terms of the Withdrawal Agreement.

**The Committee recommends that the Parliament agrees the associated legislative consent motion lodged by the Cabinet Secretary for the Rural Economy.**

The Committee also endorses the concerns expressed by the Delegated Powers and Law Reform Committee in their letters to the Scottish Government and the UK Government with regard to the curtailed timescale available for scrutiny of the LCM and other matters related to the scrutiny process.

- [1] Legislative Consent Memorandum. Direct Payments to Farmers (Legislative Continuity) Bill (LCM(S5)30). (n.d.) Retrieved from <https://www.parliament.scot/S5ChamberOffice/SPLCM-S05-30.pdf> [accessed 15 January 2020]
- [2] Legislative Consent Memorandum. Direct Payments to Farmers (Legislative Continuity) Bill (LCM(S5)30).. (n.d.) Retrieved from <https://www.parliament.scot/S5ChamberOffice/SPLCM-S05-30.pdf> [accessed 2020 January 2020]
- [3] Direct Payments to Farmers (Legislative Continuity) Bill. Explanatory Notes. Bill 005 2019-20.. (n.d.) Retrieved from <https://publications.parliament.uk/pa/bills/cbill/58-01/0005/en/20005en01.htm>

