SUPPLEMENTARY LEGISLATIVE CONSENT MEMORANDUM (MEMORANDUM NUMBER 3)

Product Regulation and Metrology Bill

- This legislative consent memorandum (LCM) is laid under Standing Order ("SO") 29.2. SO29 prescribes that a legislative consent memorandum must be laid, and a legislative consent motion may be tabled, before Senedd Cymru if a UK Parliamentary Bill makes provision in relation to Wales that has regard to devolved matters.
- 2. The Product Regulation and Metrology Bill ("the Bill") was introduced into the UK Parliament, the House of Lords, on 4 September 2024. The Bill can be found at: Product Regulation and Metrology Bill [HL]
- 3. The original LCM was laid on 20 September. This can be found at: <u>LEGISLATIVE CONSENT MEMORANDUM PRODUCT REGULATION AND METROLOGY BILL.</u>
- 4. A Supplementary LCM was laid on the 24 March 2025. This can be found here.
- 5. A number of amendments to the Bill were tabled at House of Commons Committee Stages on the 7 May. One of these amendments makes provision concerned with a regulation making power within areas of devolved competence and therefore within the scope of SO29.

Policy Objectives

- 6. The UK Government's stated policy objectives are to preserve the UK's status as a global leader in product regulation, protect consumers and support growth. The UK's product safety and metrology framework is derived from European Union (EU) law and has developed over the past four decades, whilst the UK was a member of the EU.
- 7. On leaving the EU, the UK set up an independent regime, which the UK Government considers needs to be able to adapt to new technologies such as Artificial Intelligence (AI), as well as to reflect the shift in both what consumers buy and how they buy it.
- 8. The Bill intends to ensure the UK is better placed to address modern day safety issues to protect consumers, harness opportunities that deliver economic growth, and ensure a level playing field for responsible businesses operating online or on the high street. The Bill is intended to enable the UK to maintain high product standards, supporting businesses and economic growth, by allowing the UK Parliament the power to update relevant laws.
- 9. The Bill aims to support economic growth, provide regulatory stability and deliver more protection for consumers by:
 - a. responding to new product risks and opportunities to enable the UK to keep pace with technological advances, such as AI, and address issues such as incidents from ingesting button batteries and fire risks associated with e-bikes.
 - b. identifying new and emerging business models in the supply chain, ensuring the responsibilities of those involved in the supply of products, such as online marketplaces (which are online platforms that connect third-party sellers to consumers for distance sale and purchasing of products), are clear and modernised for increasingly complex supply chains, to support consumers' confidence in the products they buy and whom they buy them from.
 - c. ensuring the law can be updated to allow a means of recognising new or updated EU product requirements, with the intention of preventing additional costs for businesses and providing regulatory stability enabling improvements to compliance and enforcement reflecting the challenges of modern, digital borders. This Bill seeks to enable the Government and its regulators to tackle non-compliance and target interventions by allowing greater sharing of data between regulators and market surveillance authorities.
 - d. updating the legal metrology framework, which governs the accuracy of weights and measures for purchased goods. This seeks to give consumers and business confidence in what they are buying and to allow for technological progress, including in support of net zero aims and infrastructure, for example enabling innovation whilst ensuring energy smart meters are accurate in their readings.

Summary of the Bill

- 10. The Bill is sponsored by the Department of Business and Trade.
- 11. The key provisions of the Bill are listed in the original LCM. This can be found at: LEGISLATIVE CONSENT MEMORANDUM PRODUCT REGULATION AND METROLOGY BILL

Amendments for which consent is required

- 12. The following government amendment tabled on 7 May 2025 was assessed as requiring the legislative consent of the Senedd (the reference numbers used below are the OPC reference numbers assigned to the amendments prior to their formal publication):
 - OPC79 Regulations making provision within devolved competence

New Clause

- 13. Subsection (2) limits the powers conferred on the Secretary of State, under clause 1, to make regulations by specifying that regulations which contain provision within Welsh devolved competence may only be made with the consent of the Welsh Ministers, unless the provision is merely incidental to, or consequential on, provision outside Welsh devolved competence.
- 14. Subsection (5)(b) provides that a provision is within Welsh devolved competence if it would be within the legislative competence of Senedd Cymru if it were contained in an Act of the Senedd (including any provision that could be made only with the consent of a Minister of the Crown).
- 15. Finally, subsection (6) makes amendments to paragraph (9) of Schedule 7B to the Government of Wales Act 2006 to disapply the Minister of the Crown consent restriction in paragraph (8).

UK Government's view on the need for consent

16. With regards to the new clause, UKG acknowledge that it requires the consent of the Senedd, and I agree with this assessment.

Reasons for making these provisions for Wales in the Product Regulation and Metrology Bill

- 17. The amendments made by the UK Government do not provide equivalent powers for Welsh Ministers in devolved areas. I have highlighted my concerns with this approach to the UK Government, and the importance of respecting the boundaries of devolution and the role of the Senedd.
- 18. The UK Government has confirmed its recognition of the importance of respecting devolution and has stressed that the consent mechanism is designed

- to ensure the protection of devolved interests while providing the necessary clarity and coherence for businesses and consumers in all parts of the UK.
- 19. The new clause will prohibit the Secretary of State from making regulations which contain provision within the legislative competence of the Senedd unless Welsh Ministers consent (unless it is incidental or consequential). Further the restriction that would otherwise require a Minister of the Crown consent to omit it, will also be disapplied by listing this Act as an exception to that, by virtue of the amendment to paragraph 9 of Schedule 7B to GoWA. This, puts in place important limitations on an otherwise broad power.

Financial implications

20. No financial implications have been identified at this stage; however further advice will be submitted should this position change.

Conclusion

- 21. The Welsh Government are supportive of the Bill and the UK Government's objective to develop a UK wide product safety regime which can be seen as key part of the wider ambition to establish and maintain an effective UK internal market.
- 22. Whilst I would have liked UK Government to go further, I welcome the amendment as detailed in paragraphs 12-15 which requires the Secretary of State to seek the consent of Welsh Ministers when legislating on matters of devolved competence. The amendment demonstrates a concession on the part of the UK Government, and in my view will ensure devolved interests are protected in the development of subordinate legislation under clauses 1(1)(a), 1(1)(b) and 1(2).
- 23. Therefore, I recommend the Senedd supports the proposals and gives its consent.

Rebecca Evans MS
Cabinet Secretary for Economy, Energy and Planning

12 May 2025