

HOUSE OF LORDS

Secondary Legislation Scrutiny Committee

43rd Report of Session 2019–21

Proposed Negative Statutory Instruments under the European Union (Withdrawal) Act 2018

Drawn to the special attention of the House:

Markets in Financial Instruments (Switzerland Equivalence) Regulations 2021

Correspondence: Temporary waiver for pre- departure safety and security information for goods leaving Great Britain

Includes information paragraphs on:

4 instruments relating to COVID-19
Meat Preparations (Amendment and
Transitory Modification) (England) (EU Exit)
Regulations 2020

Countryside Stewardship (England)
(Amendment) Regulations 2021

Whole of Government Accounts (Designation
of Bodies) Order 2021

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Secondary Legislation Scrutiny Committee

The Committee's terms of reference, as amended on 11 July 2018, are set out on the website but are, broadly:

To report on draft instruments and memoranda laid before Parliament under sections 8, 9 and 23(1) of the European Union (Withdrawal) Act 2018.

And, to scrutinise –

(a) every instrument (whether or not a statutory instrument), or draft of an instrument, which is laid before each House of Parliament and upon which proceedings may be, or might have been, taken in either House of Parliament under an Act of Parliament;

(b) every proposal which is in the form of a draft of such an instrument and is laid before each House of Parliament under an Act of Parliament,

with a view to determining whether or not the special attention of the House should be drawn to it on any of the grounds specified in the terms of reference.

The Committee may also consider such other general matters relating to the effective scrutiny of secondary legislation as the Committee considers appropriate, except matters within the orders of reference of the Joint Committee on Statutory Instruments.

Members

<u>Baroness Bakewell of Hardington Mandeville</u>	<u>Viscount Hanworth</u>	<u>The Earl of Lindsay</u>
<u>Rt Hon. Lord Chartres</u>	<u>Lord Hodgson of Astley Abbotts</u>	<u>Lord Lisvane</u>
<u>Rt Hon. Lord Cunningham of Felling</u>	(Chair)	<u>Lord Sherbourne of Didsbury</u>
<u>Lord German</u>	<u>Lord Liddle</u>	<u>Baroness Watkins of Tavistock</u>

Registered interests

Information about interests of Committee Members can be found in the last Appendix to this report.

Publications

The Committee's Reports are published on the internet at <https://committees.parliament.uk/committee/255/secondary-legislation-scrutiny-committee/publications/>

Committee Staff

The staff of the Committee are Christine Salmon Percival (Clerk), Philipp Mende (Adviser), Jane White (Adviser) and Ben Dunleavy (Committee Assistant).

Further Information

Further information about the Committee is available at <https://committees.parliament.uk/committee/255/secondary-legislation-scrutiny-committee/>

The progress of statutory instruments can be followed at <https://statutoryinstruments.parliament.uk/>

The National Archives publish statutory instruments with a plain English explanatory memorandum on the internet at <http://www.legislation.gov.uk/uksi>

Contacts

Any query about the Committee or its work, or opinions on any new item of secondary legislation, should be directed to the Clerk to the Secondary Legislation Scrutiny Committee, Legislation Office, House of Lords, London SW1A 0PW. The telephone number is 020 7219 8821 and the email address is hlseclegscrutiny@parliament.uk.

Forty Third Report

PROPOSED NEGATIVE STATUTORY INSTRUMENTS UNDER THE EUROPEAN UNION (WITHDRAWAL) ACT 2018

Instruments recommended for upgrade to the affirmative procedure

Food and Drink (Miscellaneous Amendments Relating to Food and Wine Composition, Information and Labelling) Regulations 2021

1. The Department for Environment, Food and Rural Affairs (Defra) states that while there will be no changes to policy, some of the amendments made by this instrument will have “real world” effects on food information and the way in which it is presented to consumers. For example, in relation to the origin of meat (excluding beef which is dealt with by separate legislation), the instrument will require the use of a “non-UK” rather than “non-EU” origin designator. This new requirement does not preclude the use of a designator that shows the specific country of origin. The instrument includes a 21-month adjustment period to give businesses time to adjust to the new requirement, with similar legislation planned in Wales and Scotland, so that the continued use of “EU” or “non-EU” origin designators will be allowed across Great Britain (GB) until 1 October 2022.
2. We note that, as consumers will no longer be able to tell whether meat (excluding beef) is from the EU or not after the adjustment period, this may have the potential of reducing key information that is available at present about the origin of a product and therefore about the associated food standards. We also note that after the adjustment period, different requirements will apply in GB and Northern Ireland (NI) where EU requirements will continue to apply as a result of the NI Protocol. Defra told us that “further steps will be taken to continue unfettered access for NI food products to the GB market”.
3. Given the sensitivities around future food standards and the potential impact of different labelling requirements on trade between NI and GB, the House may welcome an opportunity to explore these issues. **On balance, therefore, we take the view that the instrument should be subject to the affirmative procedure.**

Instruments about which no recommendation to upgrade is made

- Drivers’ Hours and Tachographs (Amendment) Regulations 2021
- European Grouping of Territorial Cooperation and Limited Liability Partnerships etc. (Revocations and Amendments) (EU Exit) Regulations 2021

INSTRUMENTS DRAWN TO THE SPECIAL ATTENTION OF THE HOUSE

Markets in Financial Instruments (Switzerland Equivalence) Regulations 2021 (SI 2021/28)

Date laid: 13 January 2021

Parliamentary procedure: negative

This instrument specifies that the legal and supervisory framework for stock exchanges in Switzerland meets at least equivalent outcomes to the UK's regime, enabling UK shares to be traded on Swiss stock exchanges. According to HM Treasury, Switzerland is expected to reciprocate the decision in due course, enabling Swiss shares to be traded on UK stock exchanges. Given that this recognition marks a departure from the current EU position, and the significance of the financial services sector to the UK economy, the instrument may be of interest to the House.

The instrument is drawn to the special attention of the House on the ground that it is politically or legally important and gives rise to issues of public policy likely to be of interest to the House.

4. This instrument has been laid by HM Treasury (HMT) with an Explanatory Memorandum (EM). The purpose of the instrument is to specify that the legal and supervisory framework for stock exchanges in Switzerland meets at least equivalent outcomes to the UK's regime. This will allow UK shares to be traded on Swiss stock exchanges.

How equivalence is established

5. HMT explains that trading services for UK firms can only be provided by venues in a third country if they have been deemed equivalent by HMT through a procedure set out in the Markets in Financial Instruments Regulation (MiFIR), as it forms part of retained EU law. For third country trading venues to be recognised as equivalent under MiFIR, HMT must be satisfied that the legal and supervisory framework of the third country is equivalent to the UK's regime for trading venues. Third country trading venues must also be subject to effective supervision and enforcement in the third country.
6. According to HMT, a third country's legal and supervisory framework may be considered equivalent where the framework meets the following conditions:
 - markets are subject to authorisation and effective supervision and enforcement on an ongoing basis;
 - markets have clear and transparent rules regarding the admission of securities and trading so that such securities are capable of being traded in a fair, orderly and efficient manner, and are freely negotiable;
 - security issuers are subject to periodic and ongoing information requirements ensuring a high level of investor protection, and;
 - market transparency and integrity are ensured by the prevention of market abuse in the form of insider dealing and market manipulation.

7. Following an assessment and technical advice from the Financial Conduct Authority, this instrument specifies that the legal and supervisory framework for stock exchanges in Switzerland meets at least equivalent outcomes to the UK's regime. Once the equivalence decision enters into force on 3 February 2021, UK firms will be able to trade shares on Swiss stock exchanges, specifically BX Swiss AG and SIX Swiss Exchange AG.

Reciprocity

8. We asked HMT whether Switzerland was expected to reciprocate HMT's equivalence decision, so that Swiss shares could be traded on UK stock exchanges. HMT told us that:

“The Swiss State Secretariat for International Financial Matters (SIF) have confirmed that once in force, they will reciprocate by removing restrictions on UK trading venues. UK venues will then be able to register with The Swiss Financial Market Supervisory Authority (FINMA) in order to trade Swiss shares.”

9. As the EU has not currently granted equivalence to Switzerland, we asked whether the EU had concerns about the Swiss legal and supervisory framework which were not shared by HMT. HMT explained that:

“The European Commission issued a decision on 21 December 2017 granting Switzerland's stock exchanges equivalence. However, the decision was limited to 1 year (31 December 2018) on the understanding that it would be extended if Switzerland made progress in discussions with the EU on the EU-Switzerland Institutional Framework Agreement (IFA). Although the decision was extended by 6 months (until 30 June 2019), it was not extended beyond that.

When the Commission decided not to renew their STO [share trading obligation] equivalence decision for Switzerland in 2019, they were clear that their decision was due to insufficient progress in the IFA discussions, and not because Switzerland's regulatory framework for stock exchanges was no longer equivalent to the EU's.

HM Treasury has assessed the legal and supervisory framework, following advice from the FCA, and is content that Switzerland's framework for trading venues, as it relates to stock exchanges, meets at least the equivalent outcomes to the ones provided in the UK's corresponding regime (MiFIR Article 23 as retained EU law).”

10. Finally, we asked HMT whether the UK and the EU had mutually recognised their legal and supervisory framework in this area, enabling shares to be traded on their respective stock exchanges after the end of the Transition Period. HMT told us that:

“No we have not agreed mutual equivalence with the EU for trading venues.

Although this has meant that a number of EU shares that were previously traded on UK venues have had to move to EU venues, EU shares that are traded in sterling and non- EU shares can continue to be traded in the UK, and UK exchanges remain some of the biggest and deepest in the world.

In the absence of mutual equivalence, UK action on the share trading obligation (STO) has ensured that firms operating in the UK can continue to access the most liquid global markets, and achieve the best prices for investors. However, the overlap between the UK and EU's STO can only be fully solved by mutual equivalence, which is in the interests of both UK and EU firms. We continue to believe in open, global markets and firms' ability to choose where to trade, and remain open to discussing mutual equivalence for trading venues with the EU."

Conclusion

11. This instrument specifies that the legal and supervisory framework for stock exchanges in Switzerland meets at least equivalent outcomes to the UK's regime, enabling UK shares to be traded on Swiss stock exchanges. Switzerland is expected to reciprocate the decision in due course, enabling Swiss shares to be traded on UK stock exchanges. Given that this decision departs from the current EU position and the significance of the financial services sector to the UK economy, the instrument may be of interest to the House. **The instrument is drawn to the special attention of the House on the ground that it is politically or legally important and gives rise to issues of public policy likely to be of interest to the House.**

CORRESPONDENCE

Temporary waiver for pre-departure safety and security information for goods leaving Great Britain

12. Lord Agnew Kt, Minister of State at HM Treasury and the Cabinet Office, wrote to the Committee on 6 January to inform us of the use of powers to waive temporarily the requirement for the submission of pre-departure safety and security information for goods leaving Great Britain. This was after we had reported the statutory instrument that enabled the use this power to the House.¹ In response to his letter, we asked the Minister for further explanation of the types and volume of goods affected by the waiver and whether port authorities and other relevant stakeholders had been consulted. We are publishing the correspondence with the Minister at Appendix 1.

¹ Customs Safety and Security Procedures (EU Exit) Regulations 2020 ([SI 2020/1613](#)), [36th Report](#), Session 2019-21, (HL 184).

INSTRUMENTS RELATING TO COVID-19

Restrictions on businesses and public gatherings

Health Protection (Coronavirus, Restrictions) (All Tiers) (England) (Amendment) Regulations 2021 (SI 2021/53)

13. This instrument makes minor amendments and corrections to the All Tiers Regulations² to clarify that:
- the exemption to leave home to collect goods from businesses operating click and collect also applies to libraries;
 - elite sports competitions are permitted;
 - cafes and canteens in all post-16 education and training settings can remain open; and
 - marriages and conversions under the Marriage (Same Sex Couples) Act 2013 are permitted.

Changes to business practice and regulation

General Pharmaceutical Council (Coronavirus) (Amendment) Rules Order of Council 2021 (SI 2021/26)

14. This instrument makes a number of temporary changes to the Rules of the General Pharmaceutical Council (GPhC) to adapt its operating procedures to respond to the COVID-19 emergency. The GPhC's Investigating, Appeals and Fitness to Practise Committees will be quorate with fewer committee panel members to allow for member illness or external workforce pressures. Appeals and Fitness to Practise hearings may be held using audio or video conference facilities and do not have to be held in public. Notices to registrants of a Fitness to Practise hearing will now inform them that they can take part remotely, and, where the registrant does not attend either in person or remotely, the hearing Committee may make a decision on the allegation, providing it is satisfied service of the notice has been properly effected. These changes are temporary and will expire on 1 May 2021.
15. It also makes a **permanent rule change** to allow the service of hearing notices to registrants by email.

Health and Care Professions Council (Coronavirus) (Amendment) Rules Order of Council 2021 (SI 2021/27)

16. This Order makes **permanent changes** to the Health and Care Professions Council (HCPC) Rules. It amends the procedural rules for the HCPC's three Practice Committees, which conduct fitness to practise proceedings, and the procedural rules for its Appeal Panel, which hears appeals against registration decisions, to provide for the service of documents by electronic means.
17. Additionally, it enables the Practice Committees and Appeal Panel to conduct hearings and meetings by audio or video conference in an emergency, and that such hearings may be held in private. These changes do not only relate

² Health Protection (Coronavirus, Restrictions) (All Tiers) (England) Regulations 2020 ([SI 2020/1374](#)).

to the COVID-19 pandemic but may be used in any emergency that meets the definition in the Civil Contingencies Act 2004.

Travel

Health Protection (Coronavirus, International Travel, Operator Liability and Public Health Information) (England) (Amendment) Regulations 2021 (SI 2021/68)

18. These Regulations amend the International Travel Regulations to:³
- add passengers from the Democratic Republic of the Congo and Tanzania to the list of enhanced restrictions, in Schedule B1 (which removes all exemptions from self-isolation or completion of a Passenger Locator Form (PLF) and requires the people the passengers live with in England to also self-isolate for 10 days);
 - improve completion rates of the PLF by simplifying and streamlining it. The Department for Transport states that the information fields removed will not undermine the public health benefits provided by the PLF;
 - extend the air crew exemption from the requirement for a negative coronavirus test result, to include crew who perform safety duties on board the aircraft, such as loadmasters.
19. These Regulations require operators of commercial transport services to provide advance information about testing to passengers. They also amend the Pre-Departure Testing Regulations⁴ so that operators must check that passengers possess a notification of a negative coronavirus test which includes the specified information, but are not required to ensure that the result is from a “qualifying test” (that is, a test which meets the technical standards in Schedule 2B to the International Travel Regulations). Liability for ensuring the result is from a qualifying test falls on the passenger.

³ Health Protection (Coronavirus, International Travel) (England) Regulations 2020 ([SI 2020/568](#)).

⁴ Health Protection (Coronavirus, Pre-Departure Testing and Operator Liability) (England) (Amendment) Regulations 2021 ([SI 2021/38](#)).

INSTRUMENTS OF INTEREST

Meat Preparations (Amendment and Transitory Modification) (England) (EU Exit) Regulations 2020 (SI 2020/1666)

20. This instrument removes temporarily until 31 March 2021 the prohibition on importing chilled meat preparations, such as raw sausages, hamburgers, meatballs and peppered steak, from the European Economic Area (EEA), that would otherwise have applied to such imports from 1 January, when imports from the EEA became third-country imports. The instrument also removes temporarily the requirement for imports of meat preparations from the EEA to be deep frozen. The Department for Environment, Food and Rural Affairs (Defra) says that the temporary measures mirror the phased approach to import checks, as detailed in the Border Operating Model,⁵ and give businesses time to prepare for new import requirements that will apply to Products of Animal Origin from April 2021.⁶ Defra says that without the temporary suspension there would be financial consequences for businesses and an adverse impact on food supplies, leading to limited product availability.
21. Asked for further information about this impact, Defra told us that it “will continue to work closely with representatives of the GB Food Industry to ensure that the potential impacts are fully understood and that importers have sufficient time to plan for the change in our import rules”. The Department confirmed that the current suspension could be extended or made permanent. However, given that the current suspension will expire in just over two months, **we urge the Government to ensure that industry has all the information it needs to prepare for the new import rules from 1 April. We regret that the Explanatory Memorandum does not provide an assessment of the impact that the expiry of the temporary measures at the end of March may have on industry and consumers.**
22. Defra told us that Scotland and Wales have made equivalent legislation, while Northern Ireland (NI) can continue to import chilled meat preparations from the EU as a result of the NI Protocol. In addition, a six-month grace period until 30 June 2021 has been agreed with the EU to allow the movement of ‘restricted and prohibited’ meat products, including chilled meat preparations, from Great Britain (GB) to NI.
23. **According to Defra, the EU/EEA have not reciprocated the temporary measures introduced by this instrument: EU rules⁷ for third countries mean that certain goods, including chilled meat preparations such as raw sausages, cannot be exported from GB to the EU from 1 January 2021.** Such meat preparations can be exported to the EU only if they are deep frozen to a temperature of minus 18 degrees. The prohibition does not apply to cooked meat products such as ham, cooked sausages or cooked burgers.

5 HM Government, ‘Border Operating Model’ (13 July 2020): <https://www.gov.uk/government/publications/the-border-operating-model> [accessed 21 January 2021].

6 See: Defra, ‘Importing or moving live animals, animal products and high risk food and feed not of animal origin’ (31 December 2020): <https://www.gov.uk/guidance/importing-or-moving-live-animals-animal-products-and-high-risk-food-and-feed-not-of-animal-origin#import-from-an-eu-country-from-1-april-2021> [accessed 21 January 2021].

7 See: Defra, ‘Export or move composite food products’ (31 December 2020): <https://www.gov.uk/guidance/export-or-move-composite-food-products#restricted-and-prohibited-goods> [accessed 21 January 2021].

24. Asked whether the Government were seeking to agree improvements with the EU that would allow for trade in chilled meat preparations, Defra responded that the “UK Government’s long-term ambition is to have a risk-based system and prohibitions and restrictions will factor into that, applying appropriately to the EU as a third country. The UK government will continue to explore permanent reciprocal arrangements for the movement of these goods from GB to Northern Ireland.”

Whole of Government Accounts (Designation of Bodies) Order 2021 (SI 2021/6)

25. This Order updates the bodies that are to be included in the consolidated Whole of Government Accounts (WGA) for the year ending 31 March 2020. Designating these bodies in this way enables HM Treasury (HMT) to require them to provide the necessary audited financial information, in a specified form and to a specified timescale, for the preparation of the WGA. The Annex to the Explanatory Memorandum (EM) sets out which bodies have been added, removed or had their names changed. This Order is made annually. We asked HMT for further information on two issues referred to in the EM.
26. Firstly, HMT states that it “has chosen to exclude the Royal Bank of Scotland [RBS] on the basis that the inclusion of their figures would materially distort the position of the public sector”, and that “the intent is to hold them on a temporary basis”. Given that the Government have held a majority of RBS shares since 2008, we questioned whether this still qualified as temporary. HMT explained that the “government’s ownership of shares in RBS has been reduced since 2008 through sales, and as at March 2019 stood at 62%. As set out in the Budget 2020, the government intends to fully dispose of its Royal Bank of Scotland shareholding, subject to market conditions and achieving value for money for taxpayers. The government expects the programme of sales to be completed by 2024–25.” HMT added that the appendix to the Comptroller and Auditor General’s (C&AG) report in the 2018-19 WGA publication⁸ “outlines his support for the Treasury’s exclusion of RBS from the WGA “as its scale and the nature of its activities would distort the reflection of government’s core activities within the financial statements””.
27. Secondly, we asked about the progress HMT has made in removing the qualifications made by the C&AG for WGA 2018–19.⁹ In response, HMT listed a number of improvements made to qualifications made by the C&AG since 2012–13, for example in relation to the completeness and valuation of school assets, and told us that the “Treasury continues to work towards removing the remaining qualifications, though making progress in this area is challenging due in part to the impact of the COVID-19 pandemic on accounts production”.

Countryside Stewardship (England) (Amendment) Regulations 2021 (SI 2021/42)

28. This instrument makes changes to the Countryside Stewardship grant scheme, including by introducing new activities that are eligible for funding. Countryside Stewardship is an agri-environment, forestry and woodland

8 HM Treasury, *Whole of Government Accounts: year ended 31 March 2019* (July 2020): https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/902427/WGA_2018-19_Final_signed_21-07-20_for_APS.pdf [accessed 21 January 2021].

9 *Ibid.*

scheme that currently operates in England and provides funding for farmers, woodland owners and land managers to make environmental improvements.¹⁰

29. The Department for Environment, Food and Rural Affairs (Defra) says that this year marks the beginning of the transition away from the EU's Common Agricultural Policy towards a domestic Environmental Land Management scheme. As part of this process, this instrument, amongst other changes, introduces two new capital funding activities to reduce ammonia emissions and allows applications for existing funding activities based on their air quality benefits. This is to help meet the targets in the Clean Air Strategy¹¹ and the legally binding national emissions ceiling. The instrument also extends currently funded activities relating to wood pasture and makes it easier to transfer Countryside Stewardship agreements to a new land manager, for example when the land is sold.
30. We asked the Department whether additional funding was provided to reflect the wider activities that can now be supported. Defra responded that the new activities

“have been designed to complement the existing Countryside Stewardship offer and give land managers greater flexibility to choose activities that will best suit their land and environmental priorities. They are designed to make the scheme more attractive and to help deliver more environmental goals. We do not anticipate that there will be major budgetary implications associated with offering new activities because the changes support specific actions to create and maintain wood pasture in the uplands and improve air quality in high priority areas. Some Countryside Stewardship agreement holders will also re-apply for the scheme — this offers an opportunity for them to deliver a wider set of activities, alongside new applicants to the scheme.”

10 Activities that are supported include conserving and restoring wildlife habitats, managing flood risk, creating and managing woodland, reducing water pollution and encouraging educational access by hosting school visits.

11 See: HM Government, ‘Clean Air Strategy 2019’ (14 January 2019): <https://www.gov.uk/government/publications/clean-air-strategy-2019> [accessed 21 January 2021].

INSTRUMENTS NOT DRAWN TO THE SPECIAL ATTENTION OF THE HOUSE

Draft instruments subject to affirmative approval

Bank for International Settlements (Immunities and Privileges) Order 2021

Cat and Dog Fur (Control of Movement etc.) (EU Exit) Regulations 2021

Non-Domestic Rating (Designated Areas) Regulations 2021

Mesothelioma Lump Sum Payments (Conditions and Amounts) (Amendment) Regulations 2021

Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2021

Made instruments subject to affirmative approval

SI 2021/53 Health Protection (Coronavirus, Restrictions) (All Tiers) (England) (Amendment) Regulations 2021

Instruments subject to annulment

SI 2020/1666 Meat Preparations (Amendment and Transitory Modification) (England) (EU Exit) Regulations 2020

SI 2021/6 Whole of Government Accounts (Designation of Bodies) Order 2021

SI 2021/17 M27 Motorway (Junctions 4 to 11) (Variable Speed Limits) Regulations 2021

SI 2021/21 Bank for International Settlements (International Development Act 2002 and Immigration (Exemption from Control) Order 1972) (Amendment) Order 2021

SI 2021/26 General Pharmaceutical Council (Coronavirus) (Amendment) Rules Order of Council 2021

SI 2021/27 Health and Care Professions Council (Coronavirus) (Amendment) Rules Order of Council 2021

SI 2021/29 Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2021

SI 2021/33 Health and Safety and Nuclear (Fees) Regulations 2021

SI 2021/40 Criminal Procedure (Amendment) Rules 2021

SI 2021/42 Countryside Stewardship (England) (Amendment) Regulations 2021

SI 2021/68 Health Protection (Coronavirus, International Travel, Operator Liability and Public Health Information) (England) (Amendment) Regulations 2021

APPENDIX 1: CORRESPONDENCE: TEMPORARY WAIVER FOR PRE-DEPARTURE SAFETY AND SECURITY INFORMATION FOR GOODS LEAVING GREAT BRITAIN

Letter from Lord Agnew of Oulton, Minister of State at HM Treasury and the Cabinet Office, to Lord Hodgson of Astley Abbots, Chair of the Secondary Legislation Scrutiny Committee

At the end of the transition period, legislation came into effect granting the Commissioners of HMRC time-limited powers to waive the requirement for the submission of pre-departure safety and security information for goods leaving Great Britain, or to alter the time limit before departure that these declarations are required. The powers may be used where there is evidence that disruption is occurring at ports, or evidence to support a belief that disruption will occur. Your committee scrutinised this SI, and drew it to the attention of both houses as an instrument of interest.

During the debate on this SI, I committed to update Parliament on the use of these powers. I am writing to let you know that HMRC Commissioners have decided to use the powers to temporarily waive the requirement for safety and security declarations for two categories of exports:

- i) any empty pallet, container or vehicle being moved under a transport contract where those goods are to be removed from Great Britain to a place where, in relation to Great Britain, such a declaration was not required before IP completion day; and
- ii) goods carried in ‘RoRo Vehicles’ that, without the waiver provided for by this notice, would be required to be covered by an exit summary declaration.

This waiver came into force at 11:00pm on 31 December 2020 and will end on 31 March 2021.

6 January 2021

Letter from Lord Hodgson of Astley Abbots to Lord Agnew of Oulton

Thank you for your letter of 6 January informing us of the use of powers to waive temporarily the requirement for the submission of pre-departure safety and security information for goods leaving Great Britain.

Your letter explained that this requirement had been waived temporarily for any relevant “empty pallet, container or vehicle”, but it was not clear whether containers and vehicles had to be empty to qualify or whether this applied only to relevant pallets. It would be helpful if you could provide further explanation of the types of goods and vehicles covered by the temporary waiver together with an estimate of the percentage of the overall seaborne traffic which will qualify for the waiver. Finally, were port authorities and other stakeholders who would be affected by any disruption at ports consulted before HMRC Commissioners made their decision?

20 January 2021

Letter from Lord Agnew of Oulton to Lord Hodgson of Astley Abbots

You asked me to expand on the types of goods and vehicles covered under the public notice. The waiver covers two categories of movement. Firstly, empty

pallets, empty containers and empty vehicles being moved to the EU under a transport contract. We have historic estimates that suggest c.30% of trucks leaving GB for the EU fall into this ‘empties’ category.

Secondly, the waiver covers Roll-on roll-off (RoRo) vehicles, where those vehicles would otherwise have to make a safety and security exit summary declaration. In these cases, there is no customs export declaration, which would otherwise contain the safety and security requirement. The government does not currently hold data on the volumes as these are EU movements that have not previously needed to make declarations.

This waiver was introduced in response to concerns raised by stakeholders at the end of last year about disruption at ports. They provided evidence that — without action - disruption would continue after 1 January. HMRC Commissioners decided to use these powers to ease this disruption and issued a public notice that came into force on 1 January. This is a short-term response to support the flow of goods and to help traders manage the introduction of new controls and the challenges of COVID-19. We continue to monitor the situation at ports closely.

25 January 2021

APPENDIX 2: INTERESTS AND ATTENDANCE

Committee Members' registered interests may be examined in the online Register of Lords' Interests at <http://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests>. The Register may also be inspected in the Parliamentary Archives.

For the business taken at the meeting on 26 January 2021, Members declared the following interests:

Countryside Stewardship (England) (Amendment) Regulations 2021 (SI 2021/42)

Lord Lisvane

Recipient of grants under the Farm Woodland Premium Scheme

Attendance:

The meeting was attended by Baroness Bakewell of Hardington Mandeville, Lord Chartres, Lord Cunningham of Felling, Lord German, Viscount Hanworth, Lord Hodgson of Astley Abbots, Lord Liddle, the Earl of Lindsay, Lord Lisvane, Lord Sherbourne of Didsbury and Baroness Watkins of Tavistock.