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Committee Stage: Thursday 28 October 2021

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## Subsidy Control Bill (Amendment Paper)

This document lists all amendments tabled to the Subsidy Control Bill. Any withdrawn amendments are listed at the end of the document. The amendments are arranged in the order in which it is expected they will be decided.

This document should be read alongside the Chair's provisional Selection and Grouping, which sets out the order in which the amendments will be debated.

☆ Amendments which will comply with the required notice period at their next appearance.

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Seema Malhotra  
Bill Esterson

6

Schedule 1, page 51, line 8, after "concerns" insert "and areas of deprivation"

**Member's explanatory statement**

This amendment includes areas of deprivation as an example of the equity rationales that subsidies should address.

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Seema Malhotra  
Bill Esterson  
Kirsty Blackman  
Stephen Flynn

7

Schedule 1, page 52, line 6, at end insert—

"(c) the United Kingdom reaching its net-zero commitments."

**Member's explanatory statement**

This amendment adds the impact on the UK's net-zero commitments as a particular consideration for public authorities before deciding whether to give a subsidy.

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Seema Malhotra 8  
Bill Esterson  
Kirsty Blackman  
Stephen Flynn

Schedule 2, page 52, line 15, at end insert—

“(c) delivering the UK’s net-zero commitments.”

**Member’s explanatory statement**

This amendment would ensure that subsidies related to energy and the environment incentivise the beneficiary to help deliver the UK’s net-zero targets.

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Seema Malhotra 9  
Bill Esterson

Clause 10, page 6, line 30, leave out paragraph (a) and insert—

“(a) is made by—

- (i) a Minister of the Crown,
- (ii) the Welsh Ministers,
- (iii) the Scottish Ministers, or
- (iv) a Northern Ireland department; and”

**Member’s explanatory statement**

This amendment would extend the power to make streamlined subsidy schemes to the Devolved Administrations.

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Kirsty Blackman 16  
Stephen Flynn

Clause 10, page 6, line 30, after “Crown” insert “, or other primary public authority, as defined in subsection (3),”

**Member’s explanatory statement**

The purpose of this amendment is to allow the Scottish Ministers, Welsh Ministers and relevant Northern Ireland department, as well as other public authorities, to make streamlined subsidy schemes.

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Seema Malhotra 10  
Bill Esterson

Clause 10, page 6, line 32, at end insert—

“(4A) A streamlined subsidy scheme may be made, in particular, for the purposes of providing support to areas of deprivation.”

**Member’s explanatory statement**

This amendment would clarify that streamlined subsidy schemes may be made for the purposes of supporting areas of deprivation.

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Seema Malhotra 11  
Bill Esterson

Clause 11, page 6, line 40, at end insert—

“(1A) Regulations under this section must be made by no later than three months after this Act receives Royal Assent”.

**Member’s explanatory statement**

This amendment would require the Secretary of State to make regulations giving the meaning of “subsidy, or subsidy scheme, of interest” and “subsidy, or subsidy scheme, of particular interest” no later than three months following Royal Assent.

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Seema Malhotra 12  
Bill Esterson

Clause 11, page 7, line 8, at end insert—

- “(4) Before making regulations under this section, the Secretary of State must seek the consent of the Scottish Ministers, the Welsh Ministers and the Department for the Economy in Northern Ireland.
- (5) If consent to the making of the regulations is not given by any of those authorities within the period of one month beginning with the day on which it is sought from that authority, the Secretary of State may make the regulations without that consent.
- (6) If regulations are made in reliance on subsection (5), the Secretary of State must make a statement to the House of Commons explaining why the Secretary of State decided to make the regulations without the consent of the authority or authorities concerned.”

**Member's explanatory statement**

This amendment would require the Secretary of State to seek the consent of the Devolved Administrations before making regulations under this section. Where such consent is not given within one month, the Secretary of State may make the regulations without that consent, but must make a statement to the House of Commons explaining their decision.

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Kirsty Blackman  
Stephen Flynn

17

Clause 13, page 7, line 30, leave out "in relation to energy and environment"

**Member's explanatory statement**

This amendment would require public authorities to consider energy and environment principles when giving any subsidies, not just those related to energy and environment.

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Seema Malhotra  
Bill Esterson

13

Clause 18, page 10, line 13, at end insert—

"(3A) This section shall not come into force until the Secretary of State has laid before Parliament a report complying with subsection (3B).

(3B) The report must explain how the prohibition established in this section is consistent with—

- (a) reducing deprivation across the United Kingdom; and
  - (b) the Government's policy on the establishment of freeports in the United Kingdom".
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**Member's explanatory statement**

This amendment would mean that the prohibition in clause 18 does not come into force until the Secretary of State has laid before Parliament a report explaining how that prohibition is consistent with reducing deprivation across the UK and the Government's freeports policy.

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Seema Malhotra  
Bill Esterson

14

Clause 19, page 10, line 29, after “exceptional circumstances” insert “including the protection of critical national infrastructure and industries of strategic national importance,”

**Member’s explanatory statement**

This amendment clarifies that protecting critical national infrastructure and industries of strategic national importance may constitute exceptional circumstances.

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Seema Malhotra  
Bill Esterson

15

Clause 20, page 11, line 15, after “exceptional circumstances” insert “including the protection of national security and industries of strategic national importance”.

**Member’s explanatory statement**

This amendment clarifies that protecting critical national infrastructure and industries of strategic national importance may constitute exceptional circumstances.

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Kirsty Blackman  
Stephen Flynn

18

Clause 33, page 17, line 26, leave out “six months” and insert “one month”

**Member’s explanatory statement**

This amendment would reduce the length of time public authorities have to enter a subsidy in the database from six months to one month.

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Kirsty Blackman 19  
Stephen Flynn

Clause 34, page 18, line 12, leave out “may, in particular,” and insert “must”

**Member’s explanatory statement**

This amendment seeks to ensure the Secretary of State will include all these measures in the regulations.

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Kirsty Blackman 20  
Stephen Flynn

Clause 34, page 18, line 27, at end insert—

“(j) any other matter which the Secretary of State deems necessary”

**Member’s explanatory statement**

This amendment is linked to amendment 19.

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Kirsty Blackman 21  
Stephen Flynn

Clause 34, page 18, line 27, at end insert—

“(j) the purpose of the subsidy”.

**Member’s explanatory statement**

This amendment would allow the Secretary of State to include a requirement in regulations that a public authority’s entry in the database details the purpose of the subsidy.

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Kirsty Blackman 22  
Stephen Flynn

Clause 34, page 18, line 35, leave out subsection (4) and insert—

“(4) Regulations to be made under this section for the first time are subject to the affirmative procedure.

(5) Any subsequent regulations made under this section are subject to the negative procedure.”

**Member’s explanatory statement**

This amendment would have the regulations be considered under the affirmative procedure, in the first instance, and the negative procedure for any future tweaks.

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Paul Scully

1

Clause 48, page 26, line 42, at end insert—

“(1A) In subsection (1), the reference to the subsidy control requirements, so far as it relates to subsection (1)(a), does not include the requirements as to transparency in Chapter 3 of Part 2, except in relation to—

- (a) subsidies given that are subject to the provisions of Part IV or Annex 2 of the Agreement on Agriculture;
- (b) subsidies given in relation to trade in fish and fish products;
- (c) subsidies given in relation to the audiovisual sector.”

**Member’s explanatory statement**

This amendment provides that the transparency requirements in Chapter 3 of Part 2 apply to subsidies under legacy schemes, subject to exemptions relating to agriculture, fish and the audiovisual sector.

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Paul Scully

2

Clause 48, page 27, line 9, at end insert—

“(4) In this section “the Agreement on Agriculture” means the Agreement on Agriculture, contained in Annex 1A to the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh on 15 April 1994 (read with any adjustments necessary for context).”

**Member’s explanatory statement**

This amendment is consequential on Amendment 1 and provides a definition of the Agreement on Agriculture.

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Paul Scully

3

Clause 54, page 30, line 8, leave out “on or”

**Member’s explanatory statement**

This amendment ensures that a public authority may give a subsidy after the reporting period expires, but not on the final day of that period.

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Paul Scully

4

Clause 62, page 35, line 40, leave out paragraph (b)

**Member's explanatory statement**

This amendment modifies the content of the CMA's post-award report to ensure consistency with the content of the pre-award report required under clause 59.

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Paul Scully

5

Clause 64, page 36, line 22, leave out paragraph (k)

**Member's explanatory statement**

This amendment omits the exemption for subsidies, or subsidy schemes, relating to nuclear energy from the referral requirements of Chapter 1 of Part 4.

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Kirsty Blackman  
Stephen Flynn

23

☆ Clause 70, page 40, line 12, at end insert—

- “(c) the Welsh Ministers,
- (a) the Scottish Ministers, or
- (e) a Northern Ireland department;”

**Member's explanatory statement**

This amendment intends that devolved administrations are included as interested parties regarding calling in of subsidy decisions.

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Kirsty Blackman  
Stephen Flynn

24

- ☆ Clause 79, page 45, line 9, leave out “issue guidance” and insert “by the affirmative procedure make regulations”

**Member’s explanatory statement**

This amendment ensures that the Secretary of State’s guidance is made by affirmative regulation in order that parliament can debate the matter before implementation.

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## Order of the House

**[22 September 2021]**

That the following provisions shall apply to the Subsidy Control Bill:

**Committal**

1. The Bill shall be committed to a Public Bill Committee.

**Proceedings in Public Bill Committee**

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on 18 November 2021.
3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

**Proceedings on Consideration and Third Reading**

4. Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.
5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.
6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and Third Reading.

**Other proceedings**

7. Any other proceedings on the Bill may be programmed.
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## Order of the Committee

**[26 October 2021]**

That—

- (1) the Committee shall (in addition to its first meeting at 9.25 am on Tuesday 26 October) meet—
  - (a) at 2.00 pm on Tuesday 26 October;
  - (b) at 11.30 am and 2.00 pm on Thursday 28 October;
  - (c) at 9.25 am and 2.00 pm on Tuesday 2 November;
  - (d) at 11.30 am and 2.00 pm on Thursday 4 November;
  - (e) at 9.25 am and 2.00 pm on Tuesday 16 November;
  - (f) at 11.30 am and 2.00 pm on Thursday 18 November;
- (2) the Committee shall hear oral evidence in accordance with the following Table:

| <b>Date</b>        | <b>Time</b>                  | <b>Witness</b>  |
|--------------------|------------------------------|---|
| Tuesday 26 October | Until no later than 10.30 am | Industrial Communities Alliance;<br>Convention of Scottish Local Authorities            |
| Tuesday 26 October | Until no later than 11.25 am | Institute for Government; Professor<br>Stephanie Rickard, London School of<br>Economics |
| Tuesday 26 October | Until no later than 2.30 pm  | Institute of Directors  |
| Tuesday 26 October | Until no later than 3.00 pm  | Monckton Chambers   |
| Tuesday 26 October | Until no later than 3.40 pm  | DWF Group; UK Steel   |
| Tuesday 26 October | Until no later than 4.00 pm  | Daniel Greenberg, House of Commons<br>Counsel for Domestic Legislation                  |
| Tuesday 26 October | Until no later than 4.30 pm  | Competition and Markets Authority   |
| Tuesday 26 October | Until no later than 5.00 pm  | Ivan McKee, Scottish Government Minister<br>for Business, Trade, Tourism and Enterprise |

- (3) proceedings on consideration of the Bill in Committee shall be taken in the following order: Clauses 1 to 9; Schedules 1 and 2; Clauses 10 to 78; Schedule 3; Clauses 79 to 92; new Clauses; new Schedules; remaining proceedings on the Bill;
- (4) the proceedings shall (so far as not previously concluded) be brought to a conclusion at 5.00 pm on Thursday 18 November.