

PARLIAMENTARY BUREAU

LEGISLATIVE CONSENT MEMORANDUM - ECONOMIC CRIME AND CORPORATE TRANSPARENCY BILL (UK LEGISLATION)

Introduction

1. Under Rule 9B.3.5, the Parliamentary Bureau is required to refer any legislative consent memorandum (LCM) that has been lodged with the Parliament to the committee within whose remit the subject matter of the relevant provision falls. If two or more committee remits are engaged, the Bureau is required to recommend to the Parliament which of them is to be designated as lead committee.

Economic Crime and Corporate Transparency Bill

2. This Bill was introduced in the House of Commons on 22 September 2022.

3. An LCM was lodged by Shona Robison MSP, Deputy First Minister and Cabinet Secretary for Finance on 5 May 2023.

4. The Bill follows on from the Economic Crime (Transparency and Enforcement) Act 2022, which received Royal Assent on 15 March 2022. That Bill was subject to an expedited LCM process, with the Legislative Consent Memorandum lodged in the Scottish Parliament on 4 March 2022, then debated and approved unanimously on 9 March 2022.

5. The UK Government has presented the Bill as having three key objectives:

- Prevent organised criminals, fraudsters, kleptocrats and terrorists from using companies and other corporate entities to abuse the UK's open economy. The Bill will reform the powers of the Registrar of Companies and the legal framework for limited partnerships in order to safeguard businesses, consumers and UK national security.
- Strengthen the UK's broader response to economic crime, in particular by giving law enforcement new powers to seize cryptoassets used or obtained through unlawful conduct and enabling businesses in the financial sector to share information more effectively to prevent and detect economic crime.
- Support enterprise by enabling Companies House to deliver a better service for over four million UK companies and improving the reliability of its data to inform business transactions and lending decisions across the economy.

6. The LCM indicates that the Scottish Government intends to lodge a motion seeking the Scottish Parliament's consent to some, but not all, of the relevant provision in this Bill.

Designation of lead committee

7. The relevant provision in the Bill falls within the remit of the following committees:

- Criminal Justice Committee – whose remit is to consider and report on matters relating to criminal justice falling within the responsibility of the Cabinet Secretary for Justice and Veterans (now Justice and Home Affairs); the Cabinet Secretary is responsible (amongst other things) for justice reform.
- Economy and Fair Work Committee – whose remit is to consider and report on matters relating to the economy falling within the responsibility of the Cabinet Secretary for Finance and the Economy (now Finance); the LCM relates to *economic* crime and was lodged by the Cabinet Secretary for Finance.

8. Of these, the remit of the Criminal Justice Committee is considered most relevant because of the focus on the prevention of and response to crime. However, formal designation of that committee as lead committee does not preclude any other committee whose remit is engaged from considering the LCM if it so wishes.

9. The LCM will also be considered by the Delegated Powers and Law Reform Committee in relation to any provisions in the Bill conferring powers on the Scottish Ministers to make subordinate legislation.

Recommendation

10. The Bureau is invited to recommend, under Rule 9B.3.5, that the Parliament designate the Criminal Justice Committee as lead committee on the LCM on the Economic Crime and Corporate Transparency Bill.

**Parliamentary Business Team
May 2023**