The Scottish Parliament
Pàrlamaid na h-Alba

Economy, Tourism and Energy Committee

Rt Hon Stephen Flynn MSP
Cabinet Secretary for Economy, Tourism and Transport
Scottish Government

05 November 2026

Dear Stephen

Commercial Payments Bill LCM

The Economy, Tourism and Energy Committee met yesterday to consider the Legislative Consent Memorandums relating to the Commercial Payments Bill.

The Committee understands that COSLA has raised concerns with the Scottish Government regarding aspects of the Bill and its potential implications for local authorities. To assist our scrutiny of the LCMs, we would be grateful if you could provide further information on the Scottish Government's engagement with COSLA on these issues.

In particular, the Committee would be grateful if you could outline the steps the Scottish Government has taken to understand and address COSLA's comments and explain how any risks or impacts identified by local authorities can be managed within the context of the Bill's policy proposals. We would welcome further explanation of how these concerns were taken into account in the Scottish Government's assessment of the relevant provisions contained in the Bill.

The Committee would also welcome your views on the use of UK Parliament legislation in areas that fall within devolved competence. In addition, we would be interested in your assessment of the proposed phasing out of construction retention payments, including any implications for local authorities in managing risks associated with defective, incomplete or delayed construction works.

We would be grateful if we could receive your response by **Wednesday 18 November 2026**.

Yours sincerely,

Duncan Massey MSP, Convener

Contact: Economy, Tourism and Energy Committee, The Scottish Parliament, Edinburgh, EH99 1SP . Email economy.committee@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.