SUPPLEMENTARY LEGISLATIVE CONSENT MEMORANDUM (MEMORANDUM NO 4)

GREAT BRITISH ENERGY BILL

- 1. This legislative consent memorandum 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 Cymru¹ if a UK Parliamentary Bill makes provision in relation to Wales that has regard to devolved matters.
- 2. The Great British Energy Bill ("the Bill") was introduced in the House of Commons on 25 July 2024. The Cabinet Secretary for Economy, Transport and North Wales laid an LCM on 8 August 2024 on the Bill as introduced which includes a summary of the Bill. A Supplementary LCM was laid on 24 January covering UK Government amendments laid on 23 January 2025. A further supplementary LCM was laid on 19 February covering further UK Government amendments laid on 5 February 2025.
- 3. The Bill completed House of Lords Report Stage on 11 February 2025 and completed third reading on 25 February 2025. This sLCM covers opposition amendments agreed at House of Lords Report Stage and UK Government amendments laid on 17 February 2025 and subsequent changed on 20 February 2025. The latest version of the Bill is available at: Great British Energy Bill

Policy Objective

4. The UK Government's stated policy objectives are for the company Great British Energy to drive clean energy deployment, create jobs, boost energy independence, and provide value for the UK taxpayer. The Bill seeks to establish, Great British Energy to engage in all aspects of clean energy projects, including design, development, construction, commissioning and operation of projects. The policy intent covers supporting infrastructure across the clean energy supply chain, establishing the Local Power Plan, and measures that support the security of supply and energy efficiency.

Update on position since the publication of the previous Legislative Consent Memorandum

5. During House of Lords Report Stage, the Lords agreed to an opposition amendment tabled by Lord Alton of Liverpool. It amended Clause 4 ('financial assistance') by making provision for Great British Energy to prevent the Secretary of State from providing financial support to Great British Energy where there is evidence of modern slavery in its energy supply chains. The amendment is provided below:

¹ Please note in accordance with Welsh Government policy we refer to the legislature in Wales as "Senedd Cymru" on first use and "the Senedd" thereafter unless the context stipulates otherwise.

Clause 4, page 3, line 5, at end insert—

- "(6) Financial assistance under this section must not be provided if there exists credible evidence of modern slavery in the energy supply chain of any company designated Great British Energy."
- 6. This amendment requires that financial assistance cannot be provided under Clause 4 if there exists credible evidence of modern slavery in its supply chain.
- 7. A new Clause 6A was tabled by the UK Government in the House of Lords on 17 February 2025, and was subsequently changed on 20 February. The new clause requires the Secretary of State to appoint an independent person to carry out reviews of the effectiveness of Great British Energy. Such reports would have to be produced at maximum intervals of five years. The reports would have to be laid before Parliament. On 20 February 2025 the UK Government changed the amendment. The UK Government added provision which would require the Secretary of State to send a copy of the independent person's report to the Scottish Ministers, the Welsh Ministers and the Dept for the Economy in Northern Ireland at least 14 days before the report is laid before Parliament.
- 8. The new Clause in full is provided below:

"Reviews of Great British Energy's effectiveness

- (1) The Secretary of State must appoint an independent person to carry out reviews of the effectiveness of Great British Energy.
- (2) In carrying out the review, the independent person must have regard to the statement of strategic priorities prepared by the Secretary of State under section 5(1).
- (3) After each review, the independent person must— (a) prepare a report of the review, and (b) submit the report to the Secretary of State.
- (4) On receiving a report, the Secretary of State must— (a) send a copy of the report to the Scottish Ministers, the Welsh Ministers and the Department for the Economy in Northern Ireland, and (b) no less than 14 days after complying with paragraph (a)— (i) publish the report, and (ii) lay a copy of the report before Parliament.
- (5) The first report must be submitted to the Secretary of State within the period of 5 years beginning with the day on which this Act comes into force.
- (6) Subsequent reports must be submitted to the Secretary of State at intervals of not more than 5 years.

(7) In this section, references to an "independent person" are to a person who appears to the Secretary of State to be independent of— (a) the Secretary of State, and (b) Great British Energy."

Welsh Government position on the changes to the Great British Energy Bill

- 9. Welsh Ministers welcome the amendment that requires financial assistance cannot be provided if there exists credible evidence of modern slavery in its supply chain.
- 10. The amendments laid by the UK Government are also welcomed and strengthen the governance of Great British Energy once established. The amendments will contribute to ensuring the company is delivering on its strategic priorities, which Welsh Ministers will have been asked to consent to if those priorities are within devolved competence. We also welcome the strengthening of the accountability of Great British Energy to Wales through the requirement for Welsh Ministers to have sight of the independent report at least 14 days before the report is published.

Welsh and UK Government views on the need for consent

11. The UK Government agrees with the assessment that these amendments would make relevant provision in so far as they have regard to the devolved matter of environmental protection, and the specific matters of heat and cooling and energy efficiency to the extent that they are devolved.

Financial implications

12. There are no financial implications for Wales stemming from the application of these provisions in Wales.

Conclusion

- 13. The climate emergency is one of the greatest challenges we face, and Welsh Government is supportive of legislation to establish Great British Energy to help facilitate and encourage the development of renewable energy projects.
- 14. I welcome the consent of the Senedd to the Great British Energy Bill following the debate on 4 February 2025. These further amendments to the Bill make minor supplementary provision to those clauses for which consent was previously sought. As a result, this SLCM remains in line with the consent previously given.

Rebecca Evans MS
Cabinet Secretary for Economy, Energy and Planning
06/03/2025