

LEGISLATIVE CONSENT MEMORANDUM

GREAT BRITISH ENERGY BILL

1. The draft motion, which will be tabled by the Minister for the Economy is:

‘That this Assembly endorses the principle of the extension of the provisions of the Great British Energy Bill to Northern Ireland’

Background

2. This memorandum has been laid before the Assembly by Minister for the Economy under Standing Order 42A(2).
3. The Great British Energy Bill was introduced in the House of Commons on 25 July 2024. The latest version of the Bill can be found at: [Great British Energy Bill - Parliamentary Bills - UK Parliament](#)

Summary of the Bill and its policy objectives

4. The Bill makes provision for arrangements for the Secretary of State for Energy Security and Net Zero to designate a company as Great British Energy that will operate on a United Kingdom basis.
5. The stated policy intention behind the organisation is to drive clean energy deployment, create jobs, boost energy independence, and provide value for the UK taxpayer. It also intends to invest in, own, and develop clean energy projects to derisk and accelerate the delivery of projects.

Provisions which deal with a Devolved Matter

6. The subject matter of the Bill is energy, which is a devolved matter and, as such, within the legislative competence of the Assembly, in accordance with section 6 of the Northern Ireland Act 1998.

7. Clause 1 gives the Secretary of State the power to designate a publicly owned company “Great British Energy”. Clause 2 details that the company is not regarded as Crown property.
8. Clause 3 (Objects) details that the articles of association for the company are restricted to facilitating, encouraging and participating in:
 - the production, distribution, storage and supply of clean energy,
 - the reduction of greenhouse gas emissions from energy produced from fossil fuels,
 - improvements in energy efficiency, and
 - measures for ensuring the security of the supply of energy
9. The objects are expressed in broad terms that fall within the devolved competence of the Assembly, and the remit of the Minister for the Economy.
10. Clause 4 provides power for the Secretary of State to provide financial assistance to the company.
11. Clause 5 imposes a duty on the Secretary of State to prepare a statement of strategic priorities, and to revise and replace that statement. Clause 5 (6) includes that consultation must take place with the Department for the Economy on anything that falls within the legislative competence of the Assembly.
12. Energy is a reserved matter in the other devolved administrations under the Government of Wales Act 2006 and the Scotland Act 1998. The Wales Act 2017 gave Wales additional powers in the field of energy. The objects of the Bill also relate to matters which fall within the legislative competence of both the Scottish and Welsh Parliaments so both administrations will require legislative consent motions.

Reasons for making the Provisions

13. The formation of a United Kingdom wide, publicly owned organisation focusing on clean energy has the potential to provide opportunities in supporting the co-ordinated delivery of net-zero climate objectives, by providing economies of scale, expertise and financial incentives that would be difficult to achieve if such an organisation was set up locally.
14. It could be effective in supporting the objectives and targets of the Executive's Energy Strategy 'The Path to Net-Zero', and also the Climate Change Act (Northern Ireland) 2022.
15. Discussions have taken place between officials in the Department for the Economy and the Department for Energy Security and Net Zero to understand how Great British Energy will operate within the devolved sphere. This has included assurances at Ministerial level that the company will support the delivery of energy objectives here while respecting the devolution settlement.

Reasons for utilising the Bill rather than an Act of the Assembly

16. Setting up a similar company to operate in the North of Ireland only, would be prohibitive due to financial considerations, economies of scale and recruitment issues.

Consultation

17. No consultation has taken place on the formation of Great British Energy.

Human Rights and Equality

18. The UK Government considers that the Great British Energy Bill is compatible with the European Convention on Human Rights (ECHR). Accordingly, the Secretary of State has signed a statement under section 19(1)(a) of the Human Rights Act 1998 to this effect.
https://publications.parliament.uk/pa/bills/cbill/59-01/0005/Great_British_Energy_Bill_ECHR_Memorandum.pdf

19. DfE has completed a screening exercise and the legislation is not expected to have an impact on equality and diversity in relation to religious belief, political opinion, racial group, age, marital status, sexual orientation, sex, age, disability or dependents.

Financial Implications

20. The 1 November 2024 UK Budget allocated £125m to GB Energy in 2025/26 (£25m to establish the organisation and £100m in capital funding for clean energy project development). Additional finances are to be provided in future years.

Summary of Regulatory Impact

21. The UK Government impact assessment can be found at [Impact Assessment template \(parliament.uk\)](#)

Engagement to date with the Committee for the Economy

22. The Minister for the Economy wrote to the Committee for the Economy on 16 September sharing with them a copy of the bill.
23. The Minister confirmed that further advice would be provided to the Committee after assurance was sought on how the organisation will operate within the devolved sphere.

Conclusion

24. The Minister for the Economy is supportive of the proposal and recommends to the Assembly that consent should be sought.

Department for the Economy
January 2024