

**FROM: GERARD WILLIS  
DOF DALO**

**DATE: 16 JUNE 2026**

**TO: PETER HALL  
COMMITTEE CLERK**

**REFERENCE NUMBER GM-0547-2026**

**FINANCE COMMITTEE HEARING – WEDNESDAY 17 JUNE 2026**

**CYBER SECURITY AND RESILIENCE (NETWORK AND INFORMATION SYSTEMS) BILL**

**Summary**

**Business Area:** Digital Shared Services

**Issue:** To provide the Committee with an oral briefing on the Cyber Security and Resilience (Network and Information Systems) Bill in advance of the Legislative Consent Motion being debated in the Assembly.

**Restrictions:** None

**Action Required:** To note

**Officials Attending:** Paul Grocott, Deputy Secretary, Digital Shared Services  
Lorraine McCaffrey, Deputy Director, Digital and Cyber Engagement

**BACKGROUND**

1. The Cyber Security and Resilience (Network and Information Systems) Bill was introduced to Parliament on 12 November 2025, and is currently at report stage, ahead of 3<sup>rd</sup> reading in the House of Commons. See link at Annex A

2. The Bill provisions look to update the NIS Regulations which came into effect on 10 May 2018 and seek to ensure that 'essential services' have adequate data and cyber security measures in place. The Network and Information Systems (NIS) 2 Directive (NIS 2 (Directive (EU) 2022/2555)) has since been made and applied in the EU.
3. The NIS Regulations currently apply to five sectors of critical national infrastructure: transport, energy, drinking water, health, and digital infrastructure, as well as certain digital services, including online marketplaces, online search engines, and cloud computing services.
4. The key provisions of the Bill cover:
  - bringing more entities into scope of the regulatory framework,
  - empowering regulators and enhancing oversight, and
  - ensuring the regulatory framework can keep pace with the ever-changing cyber landscape.
5. DSIT are seeking consent for a total of 22 clauses contained within the Bill. DoF officials have formally requested that further consideration be given to an additional six clauses. While DSIT maintains that consent is not required for these specific clauses (15, 18, 25, 26, 38 and 52), DoF officials consider that consent is necessary and therefore recommend that the six clauses are included within the LCM and that consent is sought accordingly.
6. Maintaining parity with Europe and Britain avoids equality concerns by ensuring residents here continue to receive the same level of protection for essential digital services, reducing the risk of rights interfering service failures under outdated regulation.
7. There are likely to be additional costs for the Department of Finance as the Network Information Systems (NIS) Competent Authority for Operators of

Essential Services in the energy (electricity, gas and oil), transport (road and rail), drinking water supply and distribution and health sectors here.

8. Operators of Essential Services are likely to face certain expenses however, because the expanded regulatory thresholds for data centres, managed service providers, and large load controllers do not currently apply here, no additional organisations are expected to fall within scope at this time.
9. Executive agreement was obtained at the meeting held on 28 May to bring forward a Legislative Consent Motion: “That this Assembly endorses the principle of extending the provisions of the Cyber Security and Resilience (Network and Information Systems) Bill to this jurisdiction.” The accompanying Memorandum was laid before the Assembly on 9 June. The LCM is available at Annex B.
10. The proposed date for debate on the Legislative Consent Motion is TBC.

### **NEXT STEPS**

The Committee for Finance will be provided with an oral briefing from Department of Finance Officials at its meeting on Wednesday 17 June in advance of the Legislative Consent Motion being debated in the Assembly.

**GERARD WILLIS**

**DALO**

**Annex A – Link to the Cyber Security and Resilience (Network and Information Systems) Bill on the Parliamentary Bills website.**

[Cyber Security and Resilience \(Network and Information Systems\) Bill -  
Parliamentary Bills - UK Parliament](#)

**Annex B - LEGISLATIVE CONSENT MEMORANDUM CYBER SECURITY AND  
RESILIENCE (NETWORK AND INFORMATION SYSTEMS) BILL**



LEGISLATIVE  
CONSENT MEMORA