



Legislative Consent Memorandum for the Great British Energy Bill

Response to report of the Climate Change, Environment and Infrastructure Committee

Summary

The Great British Energy Bill (“the Bill”) was introduced in the House of Commons on the 25th of July 2024. Certain elements of the Bill require the legislative consent of the Senedd and on 8 August 2024, the then Cabinet Secretary for Economy, Transport and North Wales laid a Legislative Consent Memorandum for the Great British Energy Bill (‘the LCM’) before the Senedd.

The LCM was referred to the Climate Change, Environment and Infrastructure Committee and the Legislation, Justice and Constitution (‘LJC’) Committee with a reporting deadline of 15 November 2024. This has now been updated to 10 January 2025.

The Climate Change, Environment and Infrastructure Committee considered the LCM at its meeting on 3 October 2024 and their report on the LCM was laid on the 21 October. This is a response to the issues raised by the Climate Change, Environment and Infrastructure Committee.

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1. Response to issues raised by the Committee

The Committee report highlighted a number of questions which are addressed here.

1. The Committee requested an update of issues discussed with UK Government.

I have previously stated we are supportive of legislation to establish Great British Energy to help facilitate and encourage the development of renewable energy projects. The Legislative Consent Memorandum, laid by the then Cabinet Secretary for Economy, Transport and North Wales, highlighted our view that consent for the legislation would be required but was neutral on the point of making recommendations to the Senedd until further discussions had taken place.

The Bill is a narrow piece of legislation which makes provision for the designation, status, governance, objects, strategic direction and accountability of Great British Energy (GBE). I met with Michael Shanks, the lead Minister for the Bill in the Department for Energy Security and Net Zero, on 24 October and again on the 13 November. Our discussions were focussed on necessary improvements to the Bill and on matters which are not part of the legislation but are about how we can work in partnership in the future when GBE is operational.

I have provided an update below on the Bill itself and on the discussions to date about how GBE may work with our own energy company Trydan Gwyrdd and with Ynni Cymru.

2. The Committee's report highlighted concerns about the potential impact and duplication of functions of GBE on Trydan Gwyrdd Cymru.

The Bill provides for the designation of a company as GBE and sets its objects. GBE is still being developed and discussions about how I will work in partnership with the UK Government, through Trydan Gwyrdd Cymru and Ynni Cymru, are ongoing.

The Bill itself does not impact on the work of Trydan Gwyrdd Cymru. Trydan Gwyrdd Cymru is in a more advanced position than Great British Energy. I see opportunities to increase the scope of Trydan Gwyrdd Cymru's operation through collaborative work with Great British Energy which will help to avoid duplication. I have had positive discussions regarding Trydan Gwyrdd Cymru and expect these to continue as the thinking around GBE continues to develop.

3. The Committee report requested clarification of any potential overlap between the remit, aims and operation of GBE and those of Ynni Cymru, the Welsh Energy Service and Community Energy Wales

I do not consider there is an overlap. Ynni Cymru, Welsh Government Energy Service and Community Energy Wales are organisations and programmes that can all support the delivery of projects in Wales through partnership working with GB Energy.

4. The Committee also asked for clarification on how opportunity for Senedd scrutiny of the Statement of Priorities to be issued by the Secretary of State to GBE Senedd can be ensured.

Clause 5 of the Bill provides that the Secretary of State must prepare a statement of strategic priorities for GB Energy. Before making a statement, the Secretary of State must consult with the Welsh Ministers to the extent that the statement concerns subject matters within the Senedd's legislative competence. As currently drafted, the Statement of Strategic Priorities is not subject to any specific legislative scrutiny upon the preparation of the statement by UK Government, beyond scrutiny through the passage of the Bill.

5. The Committee highlighted concerns that the Secretary of State is required only to consult the Welsh Ministers, rather than to seek the consent of the Welsh Ministers for any strategic priorities concerning devolved matters.

It is essential that devolved responsibilities are properly reflected in the governance of GB Energy, and I am continuing to discuss how best to ensure that can be achieved. I have written to and discussed this matter with the UK Ministers and these discussions are continuing.