

# WHAT'S HAPPENED TO DECC?

Key Questions & Answers



On 13 July 2016 Theresa May became the new Prime Minister and on 14 July she began to rearrange a number of Government departments, including the Department of Energy and Climate Change (DECC).

## What's happened to DECC?

DECC has been merged with the former Department of Business, Industry and Skills (BIS) to form a new Department of Business, Energy and Industrial Strategy (BEIS).

### So Energy is part of the new department, but no mention of climate change?

True, and that did cause consternation at first, but BEIS quickly issued this blog:

"A number of publications have been speculating on the merging of BIS and DECC into the newly formed Department for Business, Energy and Industrial Strategy, and the reactions from green campaigners.

Friends of the Earth and Greenpeace, among others, have expressed their concerns over the omission of 'climate change' from the department's title, claiming that this demonstrates the downgrading of the issue's status as a government priority.

**Our view:** Tackling climate change remains a key priority for the government with the creation of BEIS and is essential in ensuring economic prosperity and security for our country.

We are committed to the UK Climate Change Act and the Global Deal signed in Paris and have already accepted the recommendation of the Committee on Climate Change on the 5th Carbon Budget."

### So what will BEIS do?

According to gov.uk, BEIS "brings together responsibilities for business, industrial strategy, science, innovation, energy, and climate change.

We are responsible for:

- ▶ developing and delivering a comprehensive industrial strategy and leading the government's relationship with business
- ▶ ensuring that the country has secure energy supplies that are reliable, affordable and clean
- ▶ ensuring the UK remains at the leading edge of science, research and innovation
- ▶ tackling climate change"

### That sounds like a lot to do! Will energy and climate change take a back seat?

Hopefully not, and in many ways putting energy back with business (as it was before DECC was created in 2008) is a more logical fit, so that energy policy can work with industry such as steel. Former energy minister Greg Barker told Utility Week: "I think bringing together energy, climate change and industrial strategy under one roof is going to make for a much more effective approach to decarbonising the economy as a whole and will allow for a more comprehensive and ambitious strategy across government."

### Who are the main ministers at BEIS and what are their responsibilities?

The final line-up was only announced on 1 August – a couple of weeks after the Department was formed.

#### Rt Hon Greg Clark MP, Secretary of State for Business, Energy and Industrial Strategy

A former Shadow Secretary for Energy and Climate Change, Greg Clark has a strong track record of supporting the decarbonisation agenda. He has overall responsibility for BEIS.

#### Nick Hurd MP, Minister of State for Climate Change and Industry

Son of Douglas Hurd, Nick also has 'green' credentials, and won the 2016 Green Ribbon award for Parliamentarian of the Year "for his leadership on pushing a green Conservative message from the backbenches, through his Chairmanship of the All Party Parliamentary Environment Group, as a Member of the Environmental Audit Committee and now through his work as DFID Minister. He is a moderniser, having introduced the Sustainable Communities Act through a Private Members Bill and was the Chair of the Climate Change group of the Party's Quality of Life policy review commission in opposition. Nick has shown integrity throughout his career and it is this commitment to a green mandate that impressed the judges most."

He is responsible for:

- ▶ climate change
  - ▶ carbon budgets
  - ▶ international climate change, including International Climate Fund
  - ▶ climate science and innovation
  - ▶ green economy, including the Green Investment Bank
- ▶ industry and enterprise
  - ▶ advanced manufacturing
  - ▶ materials
  - ▶ automotive

Baroness Neville-Rolfe, Minister of State for Energy and Intellectual Property

Lucy Neville-Rolfe is responsible for:

- ▶ energy (with the Minister for Industry and Energy, Jesse Norman)
  - ▶ nuclear
  - ▶ oil and gas, including shale gas
  - ▶ low carbon generation
  - ▶ security of supply
  - ▶ electricity and gas wholesale markets and networks
  - ▶ energy efficiency and heat, including fuel poverty
  - ▶ smart meters and smart systems
  - ▶ international energy
  - ▶ energy security, including resilience and emergency planning
- ▶ intellectual property
  - ▶ EU single market
  - ▶ Lords lead on all BEIS issues

Energy and IP might seem a strange mix, but given the amount of innovation in the energy industry, it is actually a logical fit.

Margot James MP, Parliamentary Under Secretary of State, Minister for Small Business, Consumers, and Corporate Responsibility

The Parliamentary Under Secretary of State supports the Minister for Climate Change and Industry (Nick Hurd).

Responsibilities include:

- ▶ small business (including the Small Business Commissioner, Groceries Code Adjudicator, Pubs Code Adjudicator)
- ▶ enterprise and British Business Bank
- ▶ retail sector
- ▶ consumer and competition (including energy retail markets, competition law and Companies House)
- ▶ deregulation and regulatory reform
- ▶ labour markets including trade union and employment law
- ▶ corporate governance
- ▶ local growth
- ▶ Insolvency service
- ▶ Land Registry

- ▶ Ordnance Survey
- ▶ postal affairs
- ▶ Royal Mail
- ▶ EU structural funds
- ▶ national minimum wage

Jesse Norman MP, Parliamentary Under Secretary of State, Minister for Industry and Energy

The Parliamentary Under Secretary of State supports the work of the Minister for Climate Change and Industry (Nick Hurd) and the Minister for Energy and Intellectual Property (Baroness Neville-Rolfe). Responsibilities include:

- ▶ industrial policy (supporting the Minister for Climate Change and Industry)
  - ▶ technology
  - ▶ infrastructure/construction
  - ▶ aerospace
  - ▶ professional services
  - ▶ rail supply chain
- ▶ energy policy (supporting the Minister for Energy and Intellectual Property)
  - ▶ nuclear
  - ▶ oil and gas, including shale gas

Jo Johnson MP, Minister of State for Universities, Science, Research and Innovation (joint minister with [Department for Education](#))

Jo is Boris Johnson's brother. He is responsible for:

- ▶ higher education
- ▶ science and research
  - ▶ life sciences
  - ▶ agri-tech industrial strategy
- ▶ innovation
  - ▶ space

**So has BEIS legally taken over from DECC now?**

Not yet – there needs to be an Order in Council made under section 1 or 2 of the Ministers of the Crown Act 1975 to dissolve a ministerial department and transfer its responsibilities to a new department. This will need to be laid before Parliament when it reconvenes in September.

**What's happened to the National Nuclear Laboratory, which was wholly owned by DECC?**

Presumably when BEIS is formally constituted by Order, it will transfer to BEIS.

**What's happening with the OGA?**

The Oil and Gas Authority was an executive agency of DECC and was established as an independent arms-length regulator by the Energy Act 2016. It is due to be established as an independent government company on 1 October, when it will be vested with powers including: access to operators meetings; data acquisition and retention; dispute resolution; and sanctions; along with the transfer of existing powers from DECC/BEIS. It will now be working with BEIS instead of DECC.

### Have all of DECC's responsibilities been transferred?

According to Civil Service World, DBEIS minister Margot James confirmed on 27 July that all civil servants previously working for the energy department would be moving to the new organisation, with "all of its functions" being incorporated in DBEIS. But she said the departments' full portfolio of policy responsibilities, as well as its ministerial allocations, was "being agreed and will be announced in due course". Those announcements were made on 1 August – see above.

### Where will BEIS be based?

For now, the department is split across two sites (DECC at 3 Whitehall Place and BIS at 1 Victoria Street) but the intention is to move the former DECC staff to 1 Victoria Street.

There are rumours that David Davis' new 'Brexit' department wants the old DECC building – not least because it has a nuclear bunker underneath it!

### How do you pronounce BEIS?

"Beas" apparently – like "beast" but without the "t" <http://order-order.com/2016/08/02/beis-not-beis/>

### Contacts

Richard Goodfellow, Partner and Head of Energy & Utilities Market  
07775 586409  
[richard.goodfellow@addleshawgoddard.com](mailto:richard.goodfellow@addleshawgoddard.com)

John Emerton, Partner  
07921 940147  
[john.emerton@addleshawgoddard.com](mailto:john.emerton@addleshawgoddard.com)

Guy Winter, Partner  
07725 150871  
[guy.winter@addleshawgoddard.com](mailto:guy.winter@addleshawgoddard.com)

addleshawgoddard.com

---

Doha, Dubai, Hong Kong, Leeds, London, Manchester, Muscat, Singapore and Tokyo\*

\*a formal alliance with Hashidate Law Office

© 2016 Addleshaw Goddard LLP. All rights reserved. Extracts may be copied with prior permission and provided their source is acknowledged.

This document is for general information only. It is not legal advice and should not be acted or relied on as being so, accordingly Addleshaw Goddard disclaims any responsibility. It does not create a solicitor-client relationship between Addleshaw Goddard and any other person. Legal advice should be taken before applying any information in this document to any facts and circumstances.

Addleshaw Goddard is an international legal practice carried on by Addleshaw Goddard LLP (a limited liability partnership registered in England & Wales and authorised and regulated by the Solicitors Regulation Authority) and its affiliated undertakings. Addleshaw Goddard operates in the Dubai International Financial Centre through Addleshaw Goddard (Middle East) LLP (registered with and regulated by the DFSA), in the Qatar Financial Centre through Addleshaw Goddard (GCC) LLP (licensed by the QFCA), in Oman through Addleshaw Goddard (Middle East) LLP in association with Nasser Al Habsi & Saif Al Mamari Law Firm (licensed by the Oman Ministry of Justice) and in Hong Kong through Addleshaw Goddard (Hong Kong) LLP (a limited liability partnership registered in England & Wales and registered and regulated as a foreign law firm by the Law Society of Hong Kong, operating in Hong Kong as a Hong Kong limited liability partnership pursuant to the Legal Practitioners Ordinance) in association with Francis & Co. In Tokyo, legal services are offered through Addleshaw Goddard's formal alliance with Hashidate Law Office. A list of members/principals for each firm will be provided upon request.

The term partner refers to any individual who is a member of any Addleshaw Goddard entity or association or an employee or consultant with equivalent standing and qualifications.

If you prefer not to receive promotional material from us, please email us at [unsubscribe@addleshawgoddard.com](mailto:unsubscribe@addleshawgoddard.com).

For further information please consult our website [www.addleshawgoddard.com](http://www.addleshawgoddard.com) or [www.aglaw.com](http://www.aglaw.com).