





Departmental Overview, September 2018

Department for Business, Energy & Industrial Strategy

Department for Business, Energy & Industrial Strategy (BEIS)

This overview summarises the work of the Department for Business, Energy & Industrial Strategy including what it does, how much it spends, recent and planned changes, and what to look out for across its main business areas and services.

Overview

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Design & Production by NAO External Relations
DP Ref: 006076-001

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OVERVIEW

About the Department

The Department for Business, Energy & Industrial Strategy (BEIS) was formed in July 2016, following the UK's decision to leave the European Union and subsequent machinery of government changes.

BEIS aims to build links between industry, energy and climate change, and enable a united focus on markets, investors and consumers.

The Department delivers its work through 40 partner organisations. Altogether, the BEIS group and its partner organisations employ more than 33,000 people.

BEIS' policy remit is extensive. It leads government policy on science and innovation, energy and climate change, business, and delivering a new industrial strategy.

BEIS also leads a substantial portfolio of major projects listed in the Government's Major Projects Portfolio (GMPP).

These projects are worth £64.4 billion – around 15% of the total lifetime cost of the entire GMPP portfolio as at July 2018. The projects include: the Smart Meter Implementation Programme and the programme to change the management model at the Nuclear Decommissioning Authority's (NDA's) Sellafield site.

The Department also has one of the largest EU Exit portfolios in government. It leads policy for 22 economic sectors that the government says will be impacted by the UK exiting the European Union. These include the energy market, aerospace, automotive and life sciences.

BEIS has set itself five objectives:

1

Delivering an ambitious industrial strategy

- Building a Britain fit for the future
- Investing in science, research and innovation
- Cultivating world-leading sectors
- Supporting businesses to start and grow
- Driving growth across the country


2

Maximising investment opportunities and bolstering UK interests

- Encouraging inward investment
- Working to ensure the economy is resilient and able to seize opportunities
- Promoting the interests of UK businesses and wider Department interests in EU and Euratom Exit negotiations
- Building the international profile of the UK


3

Promoting competitive markets and responsible business practices

- Reforming corporate governance
- Promoting fairness in the labour market and improving working conditions
- Ensuring the UK has the right regulatory frameworks to help meet business and consumer needs
- Safeguarding UK interests in national infrastructure


4

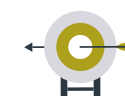
Ensuring the UK has a reliable, low-cost and clean energy system

- Ensuring that the energy system is reliable and secure
- Delivering affordable energy for households and businesses
- Taking action on climate change and low-cost decarbonisation
- Managing the energy legacy safely and responsibly


5

Building a flexible, innovative and collaborative department

- Delivering its people strategy to provide the capability to achieve its objectives
- Enabling digital, data and technology to deliver services for staff, people and businesses
- Delivering a workspace that supports and enables BEIS to deliver its objectives
- Elevating BEIS from a well-functioning department to an exceptional one which delivers for business



OVERVIEW

Where the Department spends its money

THE DEPARTMENT, INCLUDING ITS EXECUTIVE AGENCIES AND PARTNER ORGANISATIONS, SPENT **£12.2 BILLION** IN 2017-18.

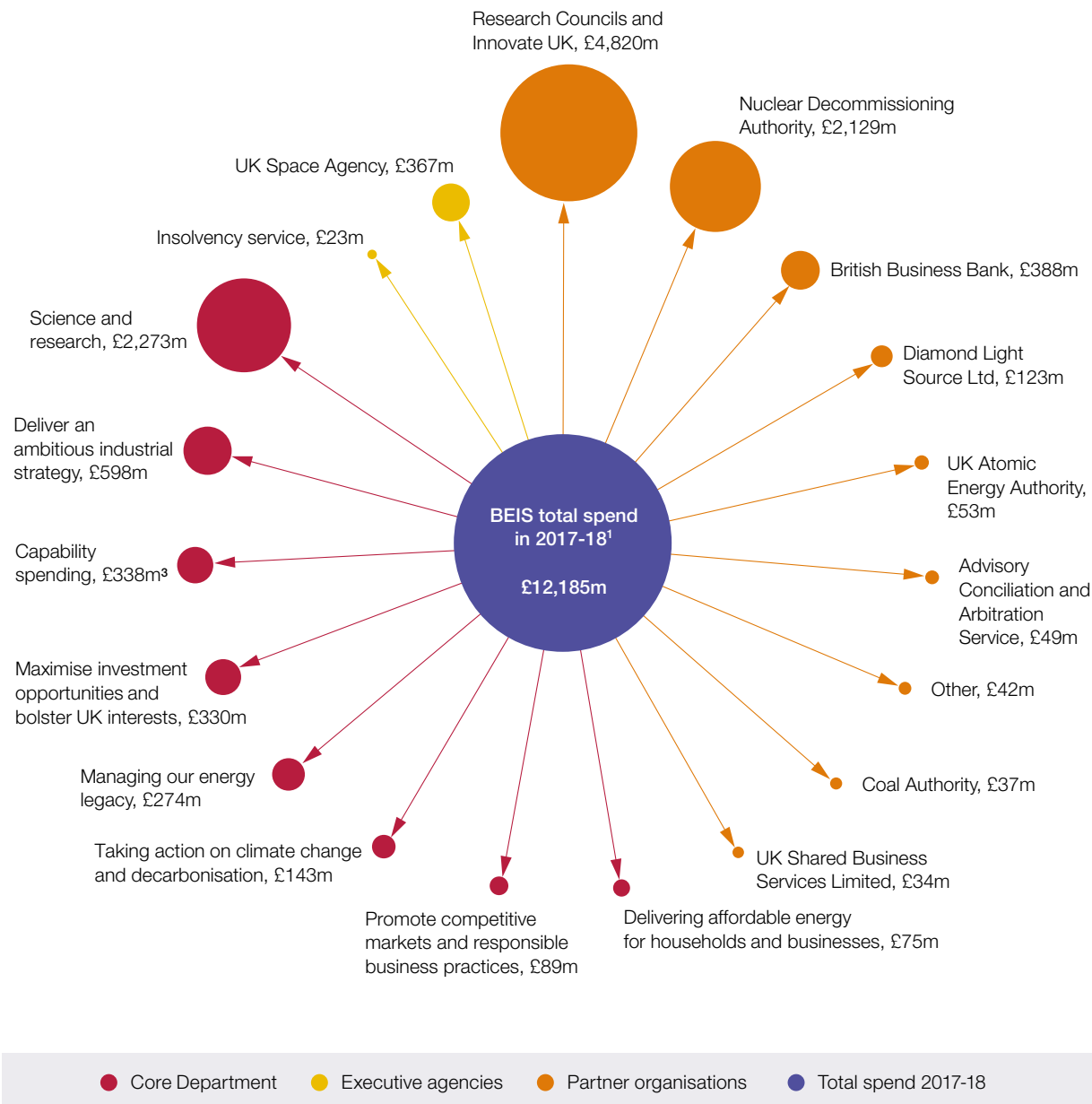
Of this, £4.8 billion was spent by the seven Research Councils and Innovate UK; and £2.1 billion² was spent by the NDA, a non-departmental body sponsored by BEIS.

The Department also spent significant amounts of money in other areas, including:

- £2.3 billion on other science and research spending;
- £598 million to support the delivery of the new industrial strategy, alongside a further £419 million to maximise UK business investment opportunities and policies to promote competitive markets; and
- £218 million on policies related to climate change, decarbonisation and delivering affordable energy for homes and businesses.

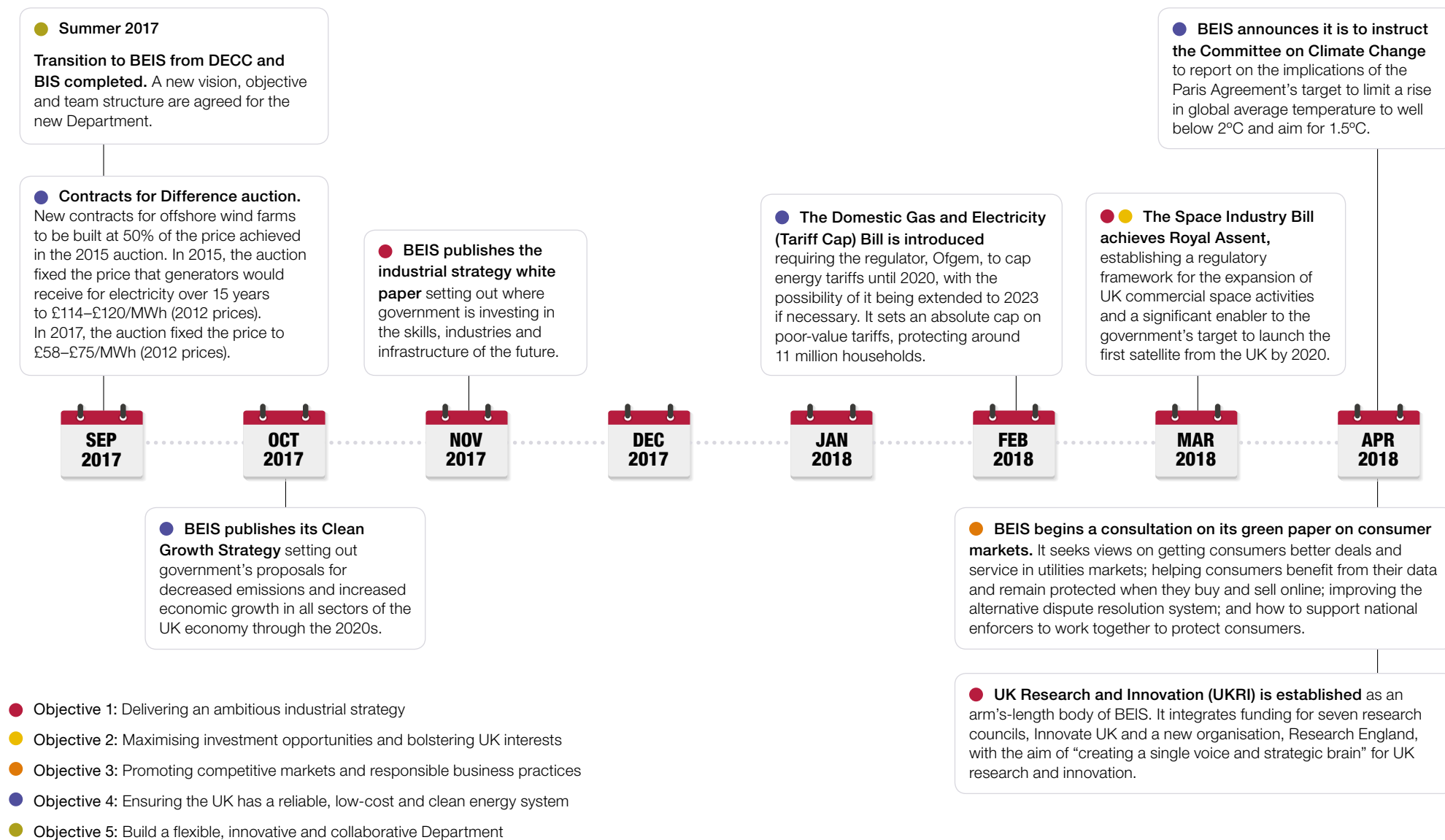
Notes

- 1 Expenditure corresponds to annual total Departmental Expenditure Limit (DEL) expenditure for the BEIS departmental group, including its executive agencies and partner organisations, rather than gross expenditure for the core Department (which was used in the NAO 2017 Short Guide (available at: www.nao.org.uk/wp-content/uploads/2017/09/A-Short-Guide-to-the-Department-for-Business-Energy-Industrial-Strategy.pdf) on BEIS). Total DEL is the amount set at Spending Reviews every 3–5 years, which is controllable and used to fund capital costs such as buildings, land and computer systems; and resource costs such as staffing, grants, consumables and maintenance. The chart excludes Annually Managed Expenditure (AME), which is a variable, demand-led amount not controlled by the Department. This includes, for example, £687 million in expenditure on the Renewable Heat Incentive programme in 2017-18.
- 2 Expenditure figures included are net of income. For example, for the NDA, the figure is the net expenditure figure and includes £1.2 billion of income from commercial activities, mainly from the management of spent fuels and waste. These amounts are surrendered to the Exchequer and partially offset the £3.5 billion annual funding to the NDA.
- 3 Capability spending includes staff costs to support the delivery of departmental objectives, and BEIS' internal transformation programmes.
- 4 Individual sums in the Figure may not add up exactly to the total due to rounding.



OVERVIEW

Major developments in 2017-18



Note

1 BEIS – Department for Business, Energy & Industrial Strategy; DECC – Department of Energy & Climate Change; BIS – Department for Business, Innovation & Skills.

Source: Department for Business, Energy & Industrial Strategy, *Annual Report and Accounts 2017-18*. Available at: www.gov.uk/government/publications/beis-annual-report-and-accounts-2017-to-2018, Committee on Climate Change, *An Independent assessment of the UK's Clean Growth Strategy: from ambition to action*, January 2018

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Future financial commitments and spending pressures

BEIS' significant liabilities

BEIS manages significant elements of the government's liabilities (obligations expected to result in future costs). In BEIS' 2017-18 accounts, these liabilities were worth £265.4 billion and included:

- £235.1 billion of nuclear decommissioning provisions (see the Energy Legacy on [page 12](#)).
- £15.9 billion of contracts for difference (CfDs) liabilities (excluding the Hinkley Point C CfD) resulting from the government's policy which fixes the revenues for each unit of electricity that a low-carbon generator produces for a set period of time, normally 15 years. If wholesale electricity prices

are lower than the fixed contract price, generators receive top-up payments from the government. It then passes the cost of top-up payments onto electricity suppliers. BEIS expects the cost will be ultimately passed onto electricity consumers. Accounting rules mean only a proportion of the total estimated top-up payments (£39.2 billion) are included in BEIS' accounts.

- Although it is the largest CfD contract, with estimated consumer top-up payments of £36.6 billion, the Hinkley Point C CfD is not recognised on BEIS' balance sheet due to accounting rules (see adjacent Figure).



Things to look out for

There are a number of significant future changes to BEIS' spending and balance sheet:

New £2.5 billion investment fund over five years through the British Business Bank.

Growth in spending on research and development (R&D) following the government's ambition to raise investment in R&D to 2.4% of gross domestic product (GDP) by 2027.

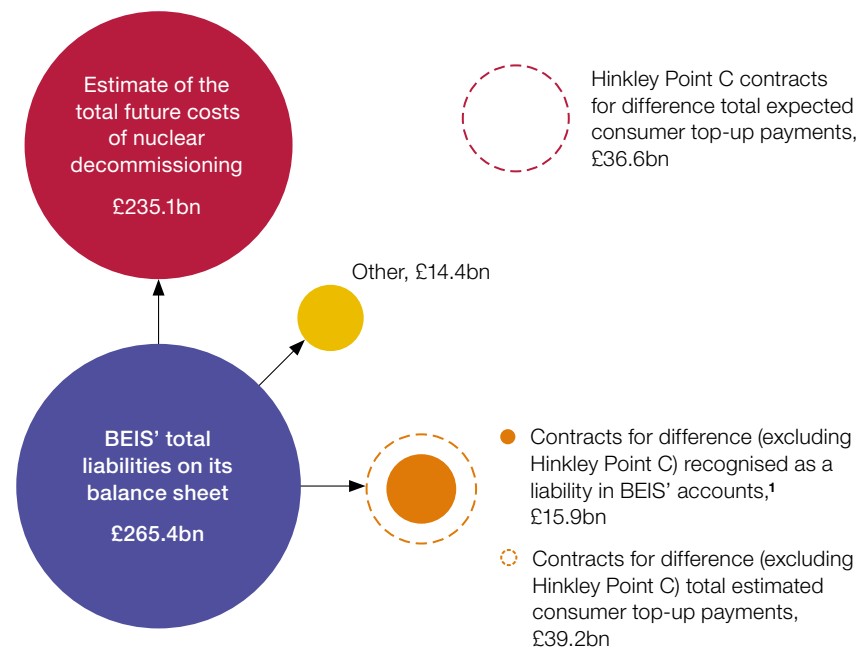
The Department's increased headcount to meet the demands of EU Exit will increase BEIS' spend. The Department expects to recruit 300 new staff in 2018-19 to support its EU Exit work.

If BEIS chooses to provide direct support for funding the new Wylfa Newydd power station, this could potentially expose taxpayers to risk and increase the chances that the project comes onto the government's balance sheet. This could mean making reductions in other areas of government spending to stay within fiscal constraints.

In 2018, the planned closure of the Thermal Oxide Reprocessing Plant (Thorp) at Sellafield will lead to a significant drop in income to the NDA.

The Department's liabilities, 31 March 2018

Nuclear provisions make up 89% of BEIS' total liabilities



⊘ Not included on BEIS' balance sheet but disclosed within the notes to the 2017-18 accounts.

Notes

- 1 For CfDs excluding Hinkley Point C, BEIS recognises a proportion of the estimated future top-up payments at the reporting date (31 March 2018) as a liability on its balance sheet. This is in line with International Accounting Standards.
- 2 None of the top-up payments expected for the Hinkley Point C CfD are recognised on BEIS's balance sheet. According to International Financial Reporting Standards, for a liability to be recognised, its value needs to be measured reliably. Payments through the contract are expected to last until 2060, and there is inherent limitation in accurately estimating wholesale electricity prices beyond 2040.
- 3 Individual sums may not add up exactly to the total due to rounding.

Source: Department for Business, Energy & Industrial Strategy, *Annual Report and Accounts 2017-18*. Available at: www.gov.uk/government/publications/beis-annual-report-and-accounts-2017-to-2018

Delivering an industrial strategy

In November 2017, BEIS published a white paper, *Building a Britain fit for the future*, setting out the new industrial strategy to improve productivity and shape the economy after exiting the EU. It includes a mixture of new and pre-committed funding.

The strategy focuses on five foundations of productivity, and four 'grand challenges' for the economy to address (see adjacent Figure).

The strategy also announced government 'sector deals' to boost productivity, employment, innovation and skills. The sector deals announced so far include: life sciences, construction, artificial intelligence (AI), the automotive sectors, and the creative industries and industrial digitalisation.

Things to look out for

Building and maintaining a consensus: how BEIS addresses and manages stakeholder interests, including policymakers, businesses and the public.

Tracking performance: how BEIS monitors progress with the strategy, noting its policy breadth. The government intends to set up an independent Industrial Strategy Council to oversee the strategy.

Working with other departments: BEIS is responsible overall for delivering the industrial strategy, but key policies needed to support the strategy are led by other departments. For example, higher education and skills is the responsibility of the Department for Education, procurement policy is led by the Cabinet Office, and infrastructure and productivity are mainly led by HM Treasury.



Investing in science, research and innovation

Government's ambition is for the UK to become the most innovative country in the world.



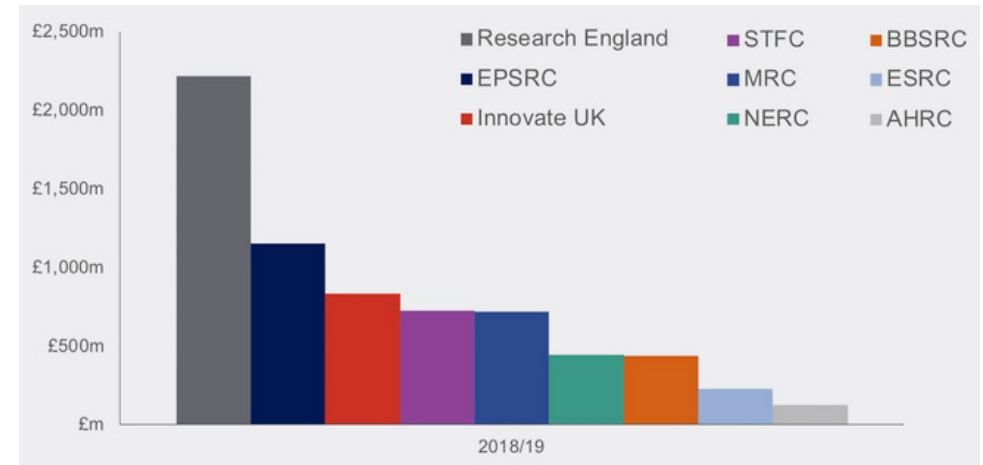
It has committed to raise investment in research and development (R&D) to 2.4% of GDP by 2027. In 2016-17, R&D expenditure represented 1.7% of GDP.

In April 2018, UK Research and Innovation (UKRI) was set up to integrate seven Research Councils, Innovate UK and a new body, Research England. In 2018-19, it is responsible for a budget of more than £6 billion.

UKRI has an important role to play in providing strategic leadership, promoting collaboration, and enabling the funders of research across government to work together. It works with universities, businesses, charities, public sector bodies, innovation and enterprise agencies to ensure research and innovation continues to grow in the UK. It will do this by:

- investing in human knowledge and understanding;
- delivering economic impact; and
- creating social and cultural impact by supporting society to become enriched, healthier, more resilient and sustainable.

UKRI's allocation of 2018-19 funding of over £6 billion for each of its councils



Notes

- 1 Engineering and Physical Sciences Research Council (EPSRC), Science and Technology Facilities Council (STFC); Medical Research Council (MRC); Natural Environment Research Council (NERC); Biotechnology and Biological Sciences Research Council (BBSRC); Economic and Social Research Council (ESRC); Arts and Humanities Research Council (AHRC).
- 2 Research Council budgets include some cross-cutting funds that the respective councils manage on behalf of UKRI.

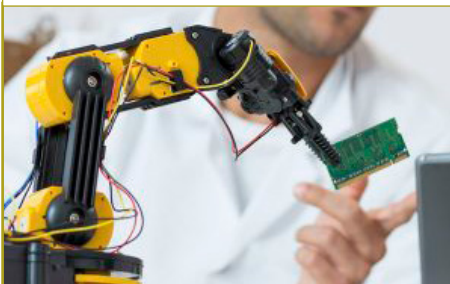
Source: UK Research and Innovation, *How we will deliver and be accountable*, available at: www.ukri.org/about-us/strategic-prospectus/how-we-will-deliver-and-measure-success, August 2018

National Audit Office report findings

RESEARCH AND INNOVATION



Government departments, research and higher education funding councils spent £8.7 billion on research and development in 2016. In November 2017, our report *Cross-government funding of research and development* noted a risk that funders do not have coherent data across research areas on capability, funding gaps, or outcomes of research and development to inform decisions on national priorities and strategic direction. Some more mature areas of research, such as human health, have established leadership arrangements, but the coordination of research on climate change, advanced materials and robotics are not sufficiently developed.



STEM SKILLS

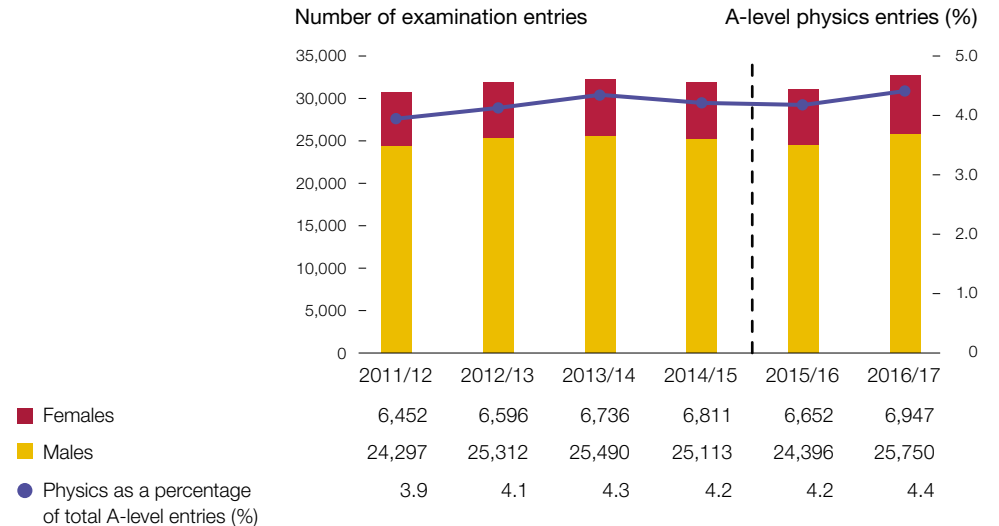


Between 2007 and late 2017, government spent and committed £990 million in STEM (science, technology, engineering and mathematics) interventions. In January 2018, our report *Delivering STEM skills for the economy* found that government does not gather robust intelligence on the size and nature of the STEM skills gap. We also found that while the latest industrial strategy talks about the need to tackle particular STEM skills shortages, departments including BEIS have not collectively set out what they are seeking to achieve, or what success will look like. The report also found there is a consistent gender participation gap, with more males than females participating in many STEM A-level subjects, and particularly physics, which is seen as a requirement for many STEM careers (see Figure).



Females typically make up only around a fifth of all entries in A-level physics

Trends in A-level physics entries from 2011/12 to 2016/17 (provisional), by gender



Note

1 The collection methodology changed slightly between 2014/15 and 2015/16, with a new data source being introduced. The impact of this change appears to be very small: when applied retroactively to 2014/15, for example, the total number of A-level entries fell from 758,625 (using the previous methodology) to 758,565, but we have shown this change in methodology in the graph with the vertical dashed line.

Source: National Audit Office, *Delivering STEM skills for the economy*, available at: www.nao.org.uk/report/delivering-stem-science-technology-engineering-and-mathematics-skills-for-the-economy/, January 2018

Things to look out for



On research and innovation

What BEIS and UKRI do to address some of the gaps in leadership and coordination we identified in our report. For example, we identified some evidence of coordination mechanisms but a lack of leadership in the robotics sector – one of the key areas of focus in the new industrial strategy.

On STEM skills

BEIS relies heavily on the work of the Migration Advisory Committee to provide insight into the likely impact of EU Exit on the supply of STEM skills for the UK economy. The Committee's report on European workers in the UK labour market is expected to publish in September 2018 and inform BEIS' work.

BEIS is responsible for delivering energy for households and businesses. Its objectives include:

- decarbonisation;
- ensuring a secure and resilient energy supply; and
- keeping bills affordable.

These objectives are often called the 'energy trilemma' as policies to achieve one objective can impact another.



Recent developments

Decarbonisation

In October 2017, BEIS published the *Clean Growth Strategy*, setting out how it intends to accelerate growth while reducing emissions to meet the fourth and fifth carbon budgets (covering 2023–2027 and 2028–2032 respectively). The strategy identified 50 commitments across six sectors: business and industry; domestic and homes; transport; power; use of natural resources; and the public sector. It has committed £2.5 billion between 2015 and 2021 across these initiatives.

Affordability

Government finances numerous energy and climate change policies through levies on energy companies instead of through general taxation. In November 2017, BEIS published a *Control for Low-Carbon Levies* to replace the Levy Control Framework, which had previously capped the cost of these levy-funded policies. The new mechanism requires the total cost of new and existing levies to fall in real terms before new levies can be introduced. Based on current forecasts, this will rule out new levy spend until 2025.

The government introduced the Domestic Gas and Electricity (Tariff Cap) Bill requiring the regulator, Ofgem, to cap energy tariffs until 2020, with the possibility of it being extended to 2023 if necessary. It caps poor-value tariffs, protecting around 11 million households.

Energy security

In June 2018, the government announced its negotiations with Hitachi on the proposed Wylfa Newydd power station, although no decision has been taken yet to proceed. Hitachi proposed to build two reactors with a combined capacity of 2.9GW. The government has said the key focus with the negotiations is to achieve lower-cost electricity for consumers. It plans to consider direct investment in the project alongside Hitachi and other parties. The government's view is that the UK is likely to need significant new nuclear capacity in order to meet the carbon reduction commitments at least cost. It is also engaging with other developers in the UK new nuclear market on their proposals for further projects.

Things to look out for

Smart meters programme

Energy suppliers must take all reasonable steps to have installed a smart meter for all their domestic and small business customers in Great Britain by the end of 2020. BEIS expects the programme to start its main installation phase between late 2018 and early 2019. During this phase it will become clearer whether the programme is likely to deliver the planned savings on consumer energy bills. BEIS will have to manage the risks of programme costs increasing and technology not working as expected. BEIS will publish an updated cost and benefit analysis in 2019.

Low-carbon heating

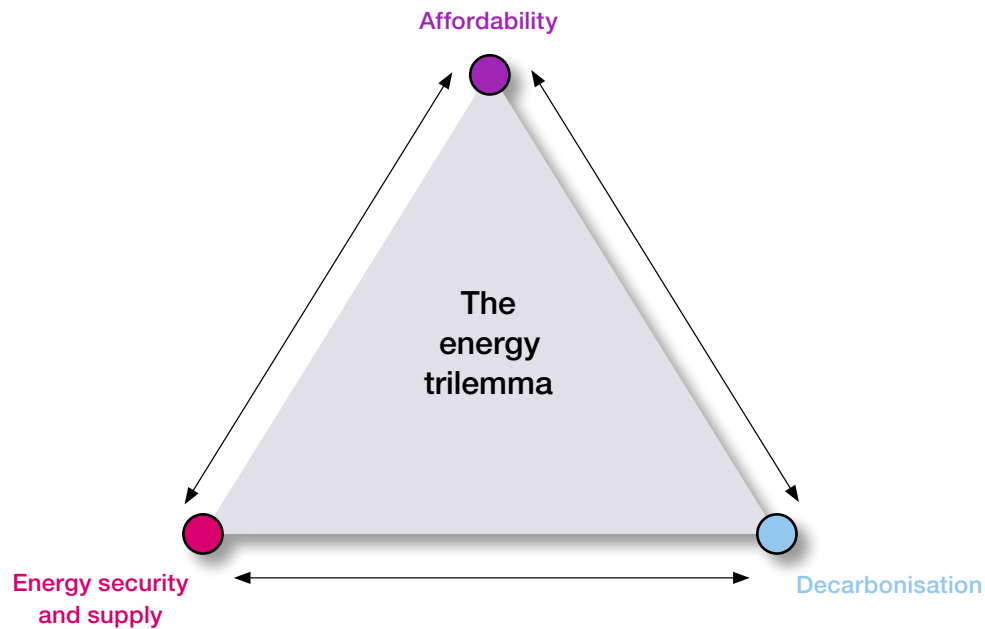

BEIS is revising its approach to reducing carbon emissions from heating. In its 2017 Clean Growth Strategy, BEIS highlighted that it was not clear which approach will work best at scale and offer the most cost-effective long-term answer. It is currently reviewing its evidence on the options and later in 2018, BEIS will publish a response to its Call for Evidence on building a framework for the action it plans to take during the 2020s to phase out high-carbon fossil fuel-heated buildings that are not connected to the gas grid.

Carbon capture, usage and storage (CCUS)

There is broad international consensus that CCUS has a vital role in reducing carbon dioxide emissions but the government has unsuccessfully attempted to support early deployment in the past. By the end of 2018, BEIS will publish a plan setting out how it will deploy CCUS in the UK after the Clean Growth Strategy reaffirmed government's commitment to CCUS and £100 million of funding to support industry, CCUS innovation and deployment.



National Audit Office reports


 HINKLEY POINT C NUCLEAR STATION


BEIS expects the Hinkley Point C (HPC) nuclear station will generate around 7% of Great Britain's anticipated electricity requirement starting in the mid-2020s. BEIS' analysis, which aligns with the views of most independent energy sector analysts, shows that new nuclear power should play a role in the UK achieving its 2050 decarbonisation target at the least cost. In our report on the government's investment decision into HPC, we concluded that BEIS had locked consumers into a risky and expensive project with uncertain strategic and economic benefits. It will not be known for decades whether HPC will be value for money, but over the time the Department negotiated the deal, the economic case weakened. BEIS and other parts of government were mainly concerned with the strategic ramifications of not proceeding, including the legal, reputational, investor and diplomatic impacts, and the benefits of keeping the project off the government's balance sheet. It did not sufficiently consider the costs and risks of the deal for consumers. BEIS has since published the HPC wider benefits realisation plan, which aims to set out how the wider benefits of the project will be delivered over its construction period.

 SMART METERS PROGRAMME

Later in 2018, we will publish a report on smart meters to assess the economic case of the programme. It will also look at whether the government is on track to achieve its target of rolling out of smart meters to 30 million premises by 2020 at an estimated cost of £11 billion. The report will also consider whether the government is maximising the chances that smart metering will result in £16.7 billion in intended benefits that include helping consumers save money on bills.

 CONTRACTS FOR DIFFERENCE FOR LOW-CARBON ELECTRICITY GENERATION PROJECTS

We investigated the Department's 2017 auction for low-carbon electricity generation contracts. We found that BEIS' decision to change the auction rules will increase costs for energy users by around £100 million a year – or £1.5 billion over the 15-year life of the contracts. BEIS was unable to provide any evidence that it tested the rule change for unintended consequences. Despite this, the awarded contracts cost less than the government had expected due to a significant fall in the cost of offshore wind farms.

 RENEWABLE HEAT INCENTIVE SCHEME

We examined BEIS' Renewable Heat Incentive (RHI) scheme, set up to encourage a switch from fossil fuel heating systems to renewable and low-carbon heating alternatives. BEIS had adjusted the scheme's objectives to correct over-optimistic assumptions in its planning of RHI. It now anticipates forecast lifetime spending will be 51% less than originally intended, with the programme anticipated to produce 65% less renewable energy and achieve 44% less in carbon dioxide emission reductions compared to its original plan. We found no reliable estimate of the overpayments made to participants that have not complied with the regulations, nor the impact of participants gaming them, which could accumulate to reduce the scheme's value significantly. BEIS is now addressing limitations in its estimate of non-compliance with the aim of making it more reliable.

Managing the energy legacy safely and securely



BEIS is responsible for managing the UK's energy legacy – the long-term impacts of both past and current generation of energy – safely and responsibly. It also has responsibility for managing the impacts of the mining legacy and decommissioning offshore oil and gas infrastructure in the North Sea.

BEIS also leads government policy for nuclear safeguarding and security, which includes finding a long-term solution for the UK's inventory of plutonium; and siting and constructing the geological disposal facility to support the long-term disposal of nuclear waste.

Sellafield is the largest and most hazardous nuclear site on the NDA estate, accounting for **75%** of the long-term cost estimate.

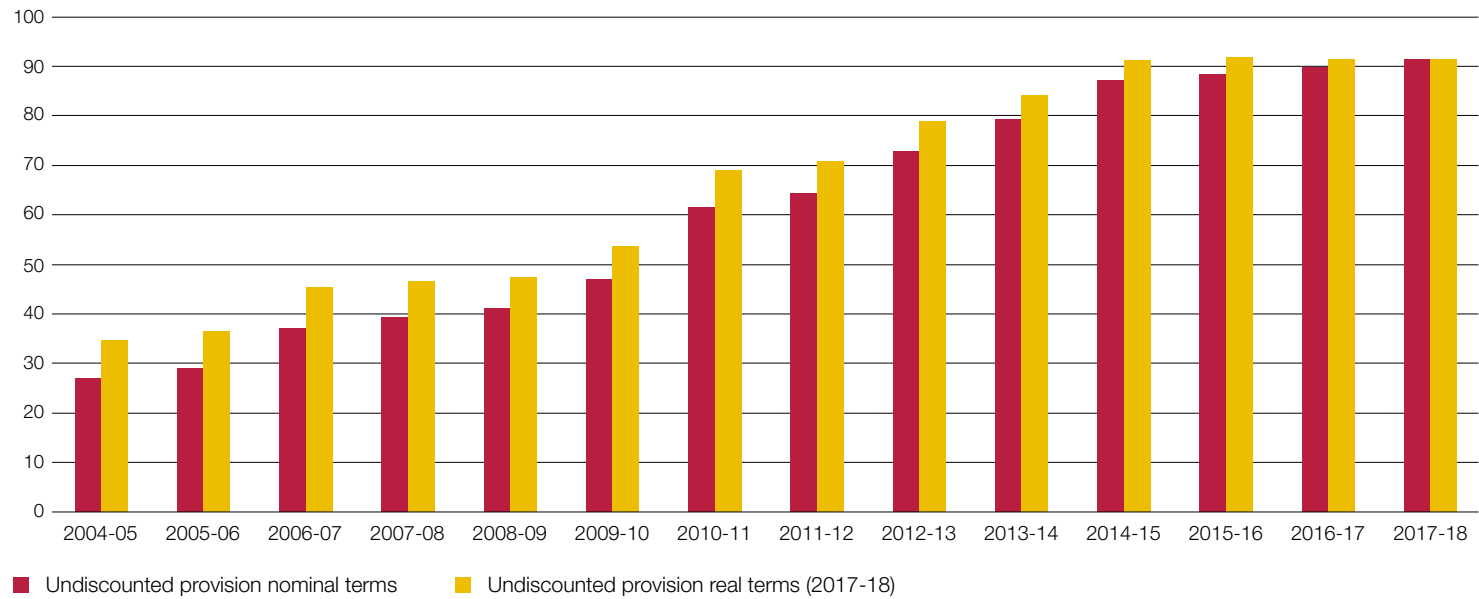
The NDA, a non-departmental public body sponsored by BEIS, is responsible for managing this decommissioning activity at 17 sites across the UK. The NDA performs the majority of this work through site licence companies that manage the day-to-day work on the sites.

The NDA estimates that its decommissioning work across its estate will be completed by 2137 at a cost of £121 billion (undiscounted). These estimates (the 'nuclear provision') are highly uncertain given the long timescales

Trends in the Sellafield provision

Since 2015-16, the provision has levelled out in real terms

Sellafield provision (£bn)



Note

1 Real terms figures are converted using Gross Domestic Product (GDP) deflators to 2017-18 prices.

Source: National Audit Office, *The Nuclear Decommissioning Authority: progress with reducing risk at Sellafield*, June 2018. Available at: www.nao.org.uk/report/the-nuclear-decommissioning-authority-progress-with-reducing-risk-at-sellafield/

involved. Since 2015-16, the NDA's estimate of the total future costs of decommissioning activity has stabilised after rising for 10 years.

Sellafield is the largest and most hazardous nuclear site on the NDA estate, accounting for 75% of the long-term cost estimate.

The NDA's main activities at Sellafield include:

- Managing nuclear material, including plutonium
- Managing nuclear waste
- Reprocessing spent fuel
- Decommissioning and demolishing contaminated buildings

National Audit Office report findings



THE NDA'S PROGRESS WITH REDUCING RISK AT SELLAFIELD

In June 2018, our report *the NDA's progress with reducing risk at Sellafield* found that the NDA and Sellafield Limited's work to reduce high hazard and risk at its four legacy ponds and silos has improved. Although delays and cost over-runs are still evident for a significant proportion of Sellafield's major projects, the NDA has made progress to reduce these. The governance of the NDA and its role need to be clarified to ensure improvements taking place at Sellafield continue.



THE NDA'S MAGNOX CONTRACT

In October 2017, we investigated *the NDA's Magnox contract*, which the NDA procured and let in 2014 to decommission 12 Magnox and research sites. Valued at more than £6.2 billion, it was one of the largest contracts ever let by government. In July 2016, the High Court found significant failings in the procurement process and ruled that the NDA had wrongly awarded the contract. In March 2017, the government announced a £97.3 million settlement to a losing consortium. We found the NDA significantly under-estimated the scale of the work needed to decommission the sites at the time it let the contract and that this led it to terminate the contract nine years early.



Things to look out for

The government's independent inquiry into the NDA's failed Magnox contract is expected to publish its findings this year, with recommendations and lessons learned for BEIS and the NDA to apply.

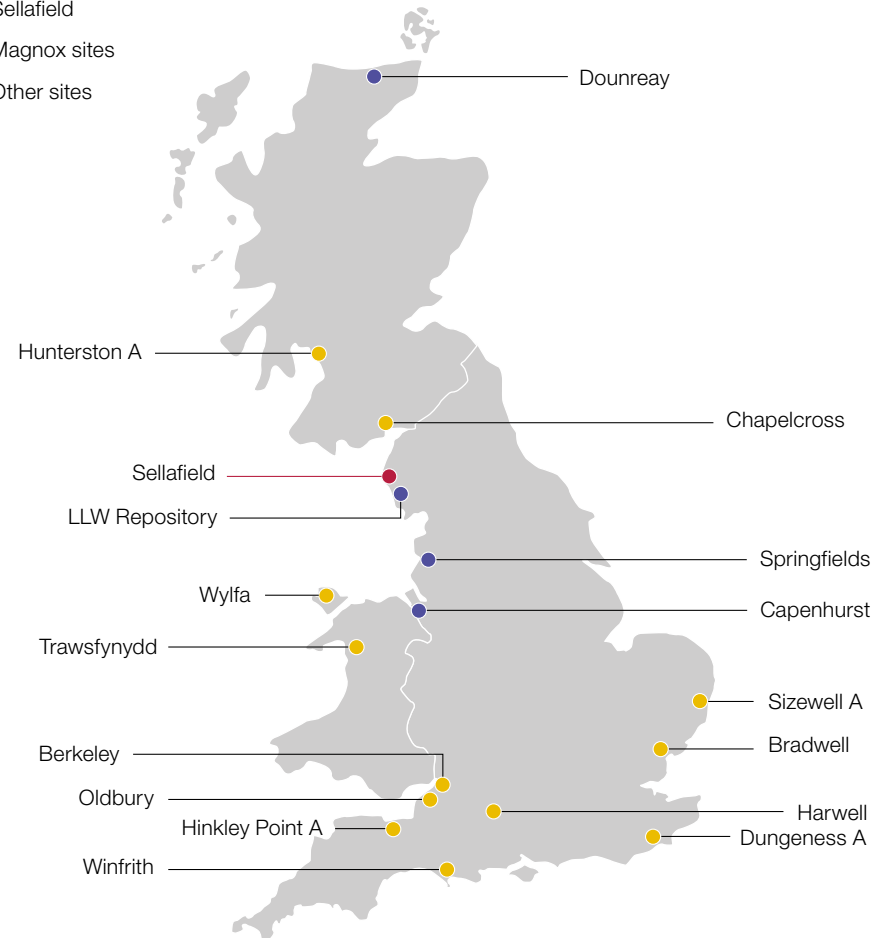
BEIS is analysing responses to its latest consultation into how communities should be engaged in identifying a site for a geological disposal facility (GDF) for the long-term storage of higher activity radioactive waste. Its last effort in 2013 failed when the only local authority still in the running as a host for GDF pulled out.

BEIS' progress with setting up a domestic nuclear safeguard regime following the enactment of the Nuclear Safeguarding Bill in June 2018.

The Nuclear Decommissioning Authority's estate of 17 sites

The Nuclear Decommissioning Authority is responsible for the operation, decommissioning and clean-up of 17 nuclear reactor and research sites

- Sellafield
- Magnox sites
- Other sites



Note

1 There are 12 Magnox sites, of which 10 are power plants and two are research sites (Winfrith and Harwell). The other sites include: Sellafield; LLW Repository, which treats and disposes low-level radioactive waste; Dounreay is a nuclear site that is being decommissioned; Springfields produces nuclear fuel; and Capenhurst manages and stores nuclear materials.

Source: National Audit Office, *The Nuclear Decommissioning Authority: progress with reducing risk at Sellafield*, June 2018. Available at: www.nao.org.uk/report/the-nuclear-decommissioning-authority-progress-with-reducing-risk-at-sellafield/

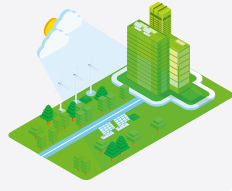
Ensuring an effective exit from the European Union

BEIS has one of the largest EU Exit portfolios of any government department. As at November 2017, BEIS is responsible for 22 of the 58 economic sectors that the government says will be affected by the UK's withdrawal from the EU. It also leads government's work on 72 of more than 300 Exit-related areas of work that departments need to complete as a consequence of leaving the EU. These cover issues relating to:

Goods and services



Energy and climate change



Consumers, competition and state aid rules



Intellectual property and insolvency



Employment and company law



Science and innovation



Space



Nuclear safeguarding, including developing new bilateral nuclear cooperation agreements



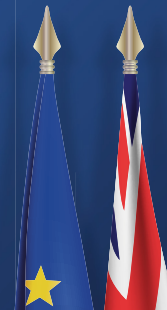
In November 2017, we examined *BEIS' preparations for an effective EU exit*. We found that if it is to be ready for March 2019, BEIS must:

- formulate a wide range of policies and consult with a wide range of stakeholders;
- work with other government departments that lead on areas of policy that BEIS is involved with, including the movement of people, and customs and tariffs;
- plan for the UK's withdrawal from several EU funding programmes, including Horizon 2020 (the EU research and innovation funding programme); and
- prepare draft legislation, including a substantial amount of secondary legislation.

In June 2018, the Nuclear Safeguards Bill received Royal Assent. This piece of primary legislation enables the government to establish a domestic nuclear safeguards regime following the UK's departure from the European Atomic Energy Community (Euratom).

HM Treasury approved £35.1 million in additional funding to BEIS to carry out this work in 2017-18, an additional

£185.1 million
to support its
EU Exit work
in 2018-19.



Ensuring an effective exit from the European Union

In July 2018, we examined BEIS' role in leading government's efforts to secure a framework of *consumer protection, competition and state aid*, working alongside the Competition and Markets Authority and the National Trading Standards in building regulatory capacity and capability for the UK in response to the potential repatriation of functions from the EU.

Things to look out for

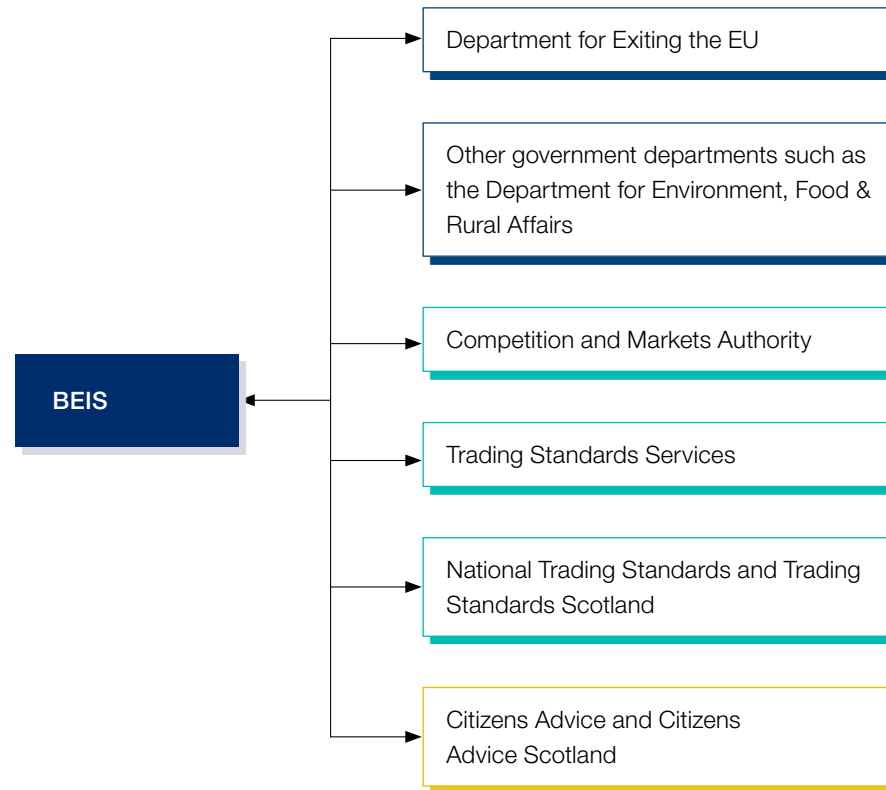
BEIS must procure, test and deploy the IT systems it says it requires before March 2019, in the event of a no deal scenario.

BEIS has prioritised the pieces of secondary legislation that it considers Parliament must enact before March 2019. For some pieces of legislation, BEIS has warned that its work is dependent on cross-government prioritisation and that the timetable for enacting legislation is very challenging.

BEIS is setting up a new independent state aid function – to be delivered by the Competition and Markets Authority. This will involve new competencies and relationships as this has previously been the preserve of the European Commission.

ESTABLISHING A UK CONSUMER PROTECTION REGIME AFTER EU EXIT

BEIS must rely on and coordinate with a number of national and local bodies to establish a functioning legal framework for consumer protection after EU Exit, although the precise requirements remain uncertain and depend on the form of the future UK–EU relationship.



- Government departments
- Non-departmental public bodies
- Consumer protection charities and organisations

Source: National Audit Office analysis