LEGISLATIVE CONSENT MEMORANDUM

THE STEEL INDUSTRY (NATIONALISATION) BILL 2026

1. This legislative consent memorandum is laid under Standing Order ("SO") 29.2. SO29 prescribes that a legislative consent memorandum must be laid, and a legislative consent motion may be tabled, before Senedd Cymru if a UK Parliamentary Bill makes provision in relation to Wales that has regards to devolved matters.

2. The Steel Industry (Nationalisation) Bill ("the Bill") was introduced in the House of Commons on 14 May 2026. It is Bill 10 of the 2026-27 parliamentary session. The Bill can be found at: *https://publications.parliament.uk/pa/bills/cbill/59-02/0010/260010.html-bills.parliament.uk Bill 010 2026-27 - pdf*

Policy Objective(s)

3. The UK Government's stated policy objectives, as explained in the explanatory notes to the Bill, are outlined below:

   - As recognised in the explanatory notes 'The UK steel sector faces persistent structural challenges. These pressures have reduced domestic competitiveness and capacity and led to an increased reliance on imports. The Government's steel strategy sets out a vision for the future of UK steel. To ensure that the UK is able to meet the objectives set out in this steel strategy, the Government is introducing the Steel Industry (Nationalisation) Bill'.

   - Potential or actual disruption to a strategic steel undertaking could undermine national resilience, critical supply chains, and the UK's ability to deliver on infrastructure and net zero objectives. This Bill will allow Government, where it is necessary in the public interest, to take action to transfer the shares and/or property of a steel undertaking into public ownership.

   - The 'public interest' is not explicitly defined as it varies by circumstance. It could be in relation to defence and national security; the construction, maintenance and operation of critical infrastructure in the United Kingdom; or supporting the economy of the United Kingdom or any part of the United Kingdom.

   - Acquisition of a steel undertaking, where it is in the public interest, would, amongst other things, allow the Government to shore up supply, plan for the future, protect vital resources or avoid disruption to that steel undertaking.

Summary of the Bill

4. The Bill is sponsored by the Department for Business and Trade.

5. The key provisions of, and approach in, the Bill are outlined below.
    - The Bill is a framework Bill that confers powers on the Secretary of State to make regulations to effectively nationalise a steel undertaking in the United Kingdom. A steel undertaking, for the purposes of the Bill means an undertaking that carries on a business consisting of or including the manufacture or processing of steel, or the manufacture or processing of iron to be used solely for the purposes of, or in connection with, the manufacture of steel.

    - The two substantive powers in the Bill (in clauses 4 and 15), if exercised, would allow the Secretary of State to transfer the shares or property of a steel company into public ownership if the Secretary of State considers it is necessary to do so in the public interest. The public interest includes (but is not limited to) defence and national security, the construction, maintenance and operation of critical infrastructure in the UK, and supporting the economy of the UK or any part of the UK.

    - The Bill does not immediately nationalise any steel company but gives the Secretary of State powers to take action in certain circumstances, and for any steel undertaking, which could include a steel undertaking in Wales.

- The Bill is in four parts and contains no schedules.
    - In Part 1, the Bill sets out the meaning of a steel undertaking and the public interest test. This Part also includes two substantive powers conferred on the Secretary of State. Firstly, a power conferred to transfer securities into public ownership (clause 4) and secondly a power to transfer property into public ownership (clause 15). These powers will sunset after two years beginning on the day the Act is passed, but the Secretary of State has a power to extend this period.

    - In Part 2, the Bill creates a framework for the establishment of a compensation regime in the event that the Secretary of State exercises the powers in Part 1 of the Bill.

    - Part 3 confers powers on the Secretary of State to provide financial assistance to any person in relation to the use of powers in Part 1, and sets out an associated regular reporting regime to the House of Commons. This Part also provides for the repeal of the Steel Industry (Special Measures) Act 2025.

    - Part 4 sets out general, back of the Bill provisions on regulation making procedures, extent of the Bill (England and Wales, Scotland and Northern Ireland), commencement and short title.

Engagement with UK Government

6. The Bill was introduced in the House of Commons on Thursday 14 May.

7. We first became aware of the Bill on 11 May when it was announced by the Prime Minister.

8. The sponsoring UK Government department for the Bill is the Department for Business and Trade and Welsh Government officials attended a meeting on 15 May 2026 where the UK Government provided an outline of the Bill.

9. I have written to Peter Kyle MP, Secretary of State for Business and Trade to seek amendments to strengthen the Welsh Ministers' role.

10. I have sought guarantees that Welsh Ministers are formally consulted if the UK Government is proposing to use the powers in the Bill to either nationalise a steel undertaking or then subsequently divest that steel undertaking, as set out in clause 4 or clause 15 of the Bill, and a role for a Welsh Government representative in the oversight of any steel undertaking that is nationalised in Wales.

11. I will update the Senedd on the progress of these discussions.

Provisions in the Bill for which consent is required

12. The Senedd's consent is required for the provisions relating to the following clauses:

    Introductory
    - Clauses 1, 2 and 3;

    Transfer of Securities into Public Ownership
    - Clauses 4, 5, 7, 9 to 14;

    Transfer of Property into Public Ownership
    - Clauses 15 to 23 and 25 to 30;

    Connected Persons
    - Clauses 31 and 32;

    Continuity Obligations
    - Clauses 33 (save for subsection (4)), 34 (save for subsection (5)), 35, 36 (save for subsection (4)), 37 (save for subsection (5)), and 38 to 40;

Further Provision Relating to Transfers
- Clauses: 41, 43, 45 to 48 and 50;

Interpretation
- Clause 51;

Compensation
- Clauses 52-57;

Financial Assistance
- Clauses 58 and 59;

Repeal of SISMA 2025
- Clause 60; and

General
- Clauses 61 to 64.

The provisions in the Bill listed below will require an LCM to the extent that these provisions have regard to the devolved matter of economic development i.e. supporting the economy of Wales and its critical infrastructure but excluding defence and national security and for clause 48 insofar as it relates to devolved taxes.

Clause 1: Meaning of "steel undertaking". This clause defines a "steel undertaking" for use throughout the Act as an undertaking that carries on a business consisting of or including the manufacture or processing steel, or a business that consists of or includes the manufacture or processing of iron to be used solely for the manufacture of steel.

The meaning of steel undertaking defined within the Bill goes wider than just steel producers and has the potential to include steel processers and fabricators based in Wales.

Clause 2: Exercise of principal transfer powers in the public interest. This clause provides that the Secretary of State may exercise transfer powers if the Secretary of State considers it necessary to do so in the public interest, which includes (but is not limited to) defence and national security, the construction, maintenance and operation of critical infrastructure in the UK and supporting the economy of the UK or any part of the UK.

The Bill cuts across devolved powers largely due to the public interest test in respect of critical infrastructure and supporting the economy. Defence and national security is, however, reserved.

The powers could be used to transfer - a Wales-based steel undertaking.

Clause 3: Sunset for exercise of principal transfer powers. This clause provides that the Secretary of State may not exercise a principal transfer power (so powers in clauses 4 and 15) after 2 years from the day the Bill becomes an Act, but the Secretary of State may by regulations substitute a different date and amend more than once (affirmative procedure).

Clause 4: Share transfer regulations. This clause confers a regulation-making power on the Secretary of State to transfer securities issued to a steel undertaking to the Secretary of State, their nominee or a company wholly owned by them.

Subsection (2) enables regulations to make other provision for the purposes of, or in connection with, the transfers of securities issued by a specified steel undertaking.

The clause also provides that the regulations may relate to either specific securities or securities of a specified descriptions and that any such regulations are subject to the negative procedure (subsections (3) and (4)).

Clause 5: Meaning of "securities". This clause defines the meaning of "securities" for the purpose of the Bill. It provides that securities include shares and stock, debentures including, debenture stock, loan stock, bonds and certificates of deposit and any other instrument evidencing a debt. It also includes instruments such as warrants or other instruments which entitle the holder to acquire shares or debentures.

Clause 7: Continuity. This clause provides that when share transfer regulations are made, they may ensure that continuity arrangements are in place for operating a steel undertaking. It enables the transferee to be treated as the same person as the transferor. This would ensure agreements and actions of the transferor are treated as those of the transferee. This would enable continuation of ongoing matters, including legal proceedings. It also permits updating references from transferor to transferee in documents and allows sharing of information and assistance between transferor and transferee.

Clause 9: Directors and senior managers. This clause makes provision for the Secretary of State to take various actions with regards to directors and senior managers of a specified steel undertaking through the regulations. This includes appointment and removal, termination and variation of service contracts.

Subsection 2 defines "director" and "senior manager".

Clause 10: Ancillary instruments. This clause makes provision about ancillary instruments in connection with share transfer regulations, allowing such regulations to permit or require the execution, issue or delivery of instruments, while ensuring that a transfer may take effect regardless of whether any instrument has been produced, delivered or registered. It also enables the regulations to determine the legal effect of instruments, including modifying or nullifying their effect, and to provide for the registration of transferees, including requiring persons to take steps to effect such registration.

Clause 11: Termination rights. This clause provides that share transfer regulations may provide that they are to be disregarded in determining whether a default event provision applies (or only to the extent the regulations do not otherwise provide). A “default event provision” is a provision of a contract or other agreement which has the effect that, if a specified event occurs or situation arises, the agreement or rights and duties under it are terminated, modified or replaced, or a right accrues to do so (including payment, delivery, or other rights accruing, changing or lapsing).

It makes clear that it is the effect of a provision that matters, not how it is described, and that references to share transfer regulations include anything done by or under them (but not merely things done under contracts whose rights or obligations have been transferred).

Clause 12: Supplemental share transfer regulations. This clause enables the Secretary of State to make “supplemental share transfer regulations” in cases where “original regulations” under clause 4 have already been made, allowing for the transfer of further securities not previously transferred and for provision of a kind permitted under clause 4(2). It provides that such regulations are to be treated in the same way as other share transfer regulations and makes clear that this power does not affect the possibility of making new regulations under clause 4(1).

Clause 13: Onward share transfer. This clause makes provision for the Secretary of State to make onward share transfer regulations where original share transfer regulations have already been made in respect of securities issued by a steel undertaking, allowing for the further transfer of securities issued both before and after the original regulations, including those already transferred by the original or supplemental regulations, and to make other provision connected with such transfers. It also enables such regulations to transfer securities to any person other than the transferor under the original regulations, and provides that, subject to that distinction, onward share transfer regulations are to be treated in the same way as other share transfer regulations for all other purposes, including the application of powers under this Part 1 (clauses 1 to 51 are in Part 1).

Clause 14: Reverse share transfer. This clause makes provision for the Secretary of State to make reverse share transfer regulations where share transfer regulations have been made (under clause 4), enabling the transfer of securities held by a transferee under the original or onward share transfer regulations back to the transferor, including in cases where the securities were not originally transferred by those regulations, requiring the consent of the onward transferee in certain circumstances, and allowing for other provision in connection with such transfers, with such regulations being treated in the same way as other share transfer regulations for all other purposes.

Clause 15: Property Transfer regulations. This clause makes provision for the Secretary of State to make property transfer regulations, enabling the transfer of property, rights or liabilities of a specified steel undertaking to the Secretary of State, a nominee or a company wholly owned by the Secretary of State, and to make other provision in connection with such transfers, whether in respect of all or part of the undertaking’s property, rights and liabilities or those of a specified description, with such regulations being subject to the negative procedure.

Clause 16: Effect of property transfer. This clause makes provision for the effect of a transfer under property transfer regulations, providing that a transfer takes effect by virtue of the regulations despite any restriction arising by contract, legislation or otherwise (including any requirement for consent), and allowing such regulations to make provision about conditions on transfers, the consequences of breach (including transfer back or automatic vesting), and the treatment of property held on trust, including altering or removing trust terms, and enabling transfers to take effect free from any trust, liability or other encumbrance.

Clause 17: Transferable property. This clause enables property transfer regulations to transfer a broad range of property, rights and liabilities, including those arising before, on, or after the transfer date and those governed by UK or foreign law. It also clarifies that such transfers may extend to overseas property and statutory rights and defines the "transfer date" as the point at which the regulations take effect.

Clause 18: Continuity. This clause ensures that property transfer regulations ensure continuity by allowing a transfer to be treated as a succession and the transferee to be treated as the same person as the transferor. It also provides for agreements, rights, liabilities, legal proceedings and employment to be treated as continuing with the transferee, with provision for apportionment, modification and mutual assistance between the parties.

Clause 19: Directors and senior managers. This clause provides that property transfer regulations may enable the Secretary of State to remove a director or senior manager of a specified steel undertaking, to vary or terminate the service contract of such a director or senior manager, and to appoint a director or senior manager. It further defines "director" by reference to section 250 of the Companies Act 2006, and "senior manager" as a person who exercises executive functions within the undertaking and is responsible, and directly accountable to the directors, for the day-to-day management of that undertaking.

Clause 20: Company names. This clause enables the Secretary of State to change the name of a company that is subject to property transfer regulations (the transferor) and the name of a company wholly owned by the Secretary of State that the property, rights and liabilities are transferred into.

Clause 21: Licences. This clause ensures that a licence, in respect of anything transferred, continues to have effect despite the transfer. The regulations may disapply this to a specified extent.

"Licence" includes permission and approval and any other permissive document in respect of anything transferred.

Clause 22: Termination rights. This clause specifies the scope of the power in clause 15 (property transfer regulations for the transfer of property, rights or liabilities of a steel undertaking to the Secretary of State). Specifically, that such regulations could make provisions about termination rights, defined as 'default event provisions', and ensure that they are not to be triggered in relation to these regulations, or to be disapplied but with exceptions.

Subsection (2) defines default event provisions broadly, capturing the various ways in which contracts or other agreements may be designed to be modified in response to various triggers. This includes provisions that allow an agreement to be terminated, modified, or replaced.

Clause 23: Foreign property. This clause makes provision which applies should property transfer regulations transfer foreign property (defined in subsection (2) as property situated outside the UK and rights and liabilities governed by foreign law). The compulsory transfer of property governed by foreign law may not be recognised under that law. Therefore, the purpose of this clause is to require the transferor to cooperate with the transferee to do anything necessary to ensure that the transfer is effective under foreign law (subsection (3)).

Clause 25: Supplemental property transfer regulations. This clause enables the Secretary of State to make supplemental property transfer regulations, and it sets out the framework of doing so.

Clause 26: Onward property transfer. This clause enables the Secretary of State to make onward property transfer regulations in respect of a steel undertaking. It provides for property, rights or liabilities of the transferee under the original regulations to be transferred (whether accruing or arising before or after the original regulations) to any other person other than the transferor under the original regulations.

Clause 27: Reverse property transfer. This clause enables the Secretary of State to make reverse property transfer regulations in respect to a specified steel undertaking under clause 15. This would subsequently allow the Secretary of State to transfer property, rights and liabilities that were originally transferred into public ownership using the powers in clause 15, back to the original transferor.

Clause 28: Property transfer connected with share transfer. This clause provides that where the Secretary of State has made share transfer regulations under clause 4, the Secretary of State may make connected property transfer regulations. This would allow the Secretary of State to restructure a steel undertaking by a property transfer, following a share transfer of a steel undertaking into public ownership.

Clause 29: Connected reverse property transfer regulations. This clause provides that where the Secretary of State has made connected property transfer regulations under clause 28(2), the Secretary of State may make connected reverse property transfer regulations. This would allow the Secretary of State to transfer property, rights and liabilities back to the original publicly owned steel undertaking, if, following the restructure, the Secretary of State did not consider some property, rights or liabilities should remain with the transferee.

Clause 30: Creation of liabilities. This clause enables property transfer regulations to create liabilities. This could be used, for example, in the case of a partial property transfer, where substantial property, rights and liabilities are left behind in the steel undertaking. The transferred business may have more liabilities than assets, requiring support from the UK Government to make a company wholly owned by the Secretary of State commercially viable. The power could be used to create a liability between the residual steel undertaking and the company in public ownership in respect of these monies.

Clause 31: Exercise of transfer powers in respect of connected persons. This clause enables the Secretary of State to extend transfer powers to a person connected with a steel undertaking ("a connected person").

Subsection (2) provides this power can only be used if it is exercised at the same time, or after, the exercise of a principal transfer power in respect of the steel undertaking, and the Secretary of State considers it necessary in the public interest.

The public interest element is different to that set out in clause 2. For the purposes of this clause, the public interest element might be satisfied in relation to a connected person – e.g. a group company – if the connected person owned key assets used by the steel undertaking, or if such assets were transferred from the steel undertaking to a connected person.

Clause 32: Meaning of "responsible person" and "associate" in section 31. This clause provides further detail on the meaning of the terms "responsible person" and "associate" in clause 31.

Subsection (3) defines an "associate" by reference to the definition included in section 435 of the Insolvency Act 1986. It glosses that definition in relation to trustees, company directors, partnerships and other undertakings for the purposes of this Bill.

Clause 33: General continuity obligations: property transfers. The clause applies where all or part of a steel undertaking has been transferred pursuant to regulations made under clause 15 (property transfer regulations for the property, rights or liabilities of a steel undertaking to the Secretary of State). Accordingly, the steel undertaking is obligated to provide services and facilities to the transferee to operate the business effectively, which could be enforced as if made by contract and notwithstanding insolvency (achieved by disapplying section 178(2) of the Insolvency Act 1986 and equivalent legislation for Northern Ireland). It is, however, subject to the right to receive reasonable consideration. If services and facilities were previously provided to the steel undertaking, it will continue despite the transfer until that contract ends. A power is conferred on the Secretary of State to issue a notice to the steel undertaking that specified activities are required on specified terms.

Clause 34: Special continuity obligations: property transfers. The clause is relevant to the scope of the power to make regulations under clause 15 (property transfer regulations for the property, rights or liabilities of a steel undertaking to the Secretary of State). Accordingly, the Secretary of State has a discretionary power to cancel a contract/ arrangement between steel undertaking and a third party, modify its terms, add or substitute a transferee, and confer or impose rights and obligations. If the power is exercised, it must be pursuant to property transfer regulations and include provision for reasonable consideration. In respect of conferring or imposing rights and obligations, it may only be exercised as necessary to enable continued operation and despite insolvency. In respect of insolvency, it is achieved by disapplying section 178(2) of the Insolvency Act 1986 and equivalent legislation for Northern Ireland.

Clause 35: Continuity obligations: onward property transfers. This clause allows the continuity obligations in clauses 33 and 34 to be extended following an onward transfer so that the onward transferee may benefit from them. Subsection (2) permits the Secretary of State to impose obligations on the original transferee, a residual steel undertaking, the steel undertaking itself, or anything which is or was a group undertaking. However, this power can only be exercised by giving notice to the person owing the obligation or expected to benefit from the obligation (pursuant to subsection (5)).

Clause 36: General continuity obligation: share transfers. The clause applies where all or part of a steel undertaking has been transferred pursuant to regulations made under clause 4 (share transfer regulations for the transfer of securities and securities include shares and stock, debentures and warrants). Accordingly, each former group company is obligated to provide services and facilities to the transferee to operate the business effectively, which could be enforced as if made by contract and notwithstanding insolvency (achieved by disapplying section 178(2) of the Insolvency Act 1986 and equivalent legislation for Northern Ireland). It is, however, subject to the right to receive reasonable consideration. If services and facilities were previously provided to the steel undertaking, it will continue despite the transfer until that contract ends. A power is conferred on the Secretary of State to issue a notice to the steel undertaking that specified activities are required on specified terms.

Clause 37: Special continuity obligation: share transfers. The clause is relevant to the scope of the power to make regulations under clause 4 (share transfer regulations for the transfer of securities and securities include shares and stock, debentures and warrants). Accordingly, the Secretary of State has a discretionary power to cancel a contract/ arrangement between steel undertaking and a third party, modify its terms, add or substitute a transferee, and confer or impose rights and obligations. If the power is exercised, it must be pursuant to provision in the share transfer regulations (or supplemental share transfer regulations) and include provision for reasonable consideration. In respect of conferring or imposing rights and obligations, it may only be exercised as necessary to enable continued operation and despite insolvency. In respect of insolvency, it is achieved by disapplying section 178(2) of the Insolvency Act 1986 and equivalent legislation for Northern Ireland.

Clause 38: Continuity obligations: onward share transfers. This clause is similar to clause 35 except that it is exercisable following share transfers. It allows the continuity obligations in clauses 36 and 37 to be extended following an onward transfer so that the onward transferee may benefit from them. Subsection (2) permits the Secretary of State to impose obligations on the steel undertaking, anything which is or was a group undertaking/group undertaking of the residual steel undertaking, or any combination. However, this power can only be exercised by giving notice to the person on whom an obligation is to be imposed, or who is expected to benefit from an obligation (pursuant to subsection (5)).

Subsection (6) provides that sections 36(4) to (9) and 37(2) and (3) apply to an obligation as applied under subsection (2) with any necessary modification.

Clause 39: Continuity obligations. This clause confers a power on the Secretary of State to make regulations in relation to clauses 33 to 38. In particular, subsection (1) enables the Secretary of State to specify what amounts to reasonable consideration for the purposes of continuity obligations, or, in the case of special continuity obligations, the meaning of provisions to be expected in arrangements between parties dealing at arm's lengths. Subsection (2) also enables the Secretary of State to give guarantees or indemnities in respect of consideration for services or facilities provided or to be provided in pursuance of a continuity obligation.

Clause 40: Continuity obligations: termination. This clause provides that the Secretary of State may remove a general continuity obligation arising under section 33 or 36 by giving notice to each person on whom the obligation is imposed, or who has benefited or might have expected to benefit from the obligation. A reference to "obligations" in subsection (1) also covers those same obligations as applied under sections 35 to 38.

Clause 41: Suspension of obligations. This provision provides for the suspension of certain obligations under a contract where one of the parties to the contract is a steel undertaking in respect of which the Secretary of State is exercising a transfer power. It is to avoid the steel undertaking being in breach of contract while a transfer is taking place and so its intention is to ensure that a transfer is not impacted by the transferor being in breach of contract. The suspension is only in effect for 7 business days following the days on which the transfer regulations are laid. The suspension must be provided for in the transfer regulations for it to come into effect.

Clause 43: Suspension of termination rights. This clause provides the SoS with the power to suspend termination rights of any party to a qualifying contract (one where one of the parties to the contract is a steel undertaking in respect of which the SoS is exercising a transfer power). There is a narrow time period in which the suspension can be imposed, beginning immediately after the transfer regulations providing for it are laid before

Parliament and ending no later than midnight at the end of the seventh business day following the day on which the regulations are laid.

Clause 45: Enforcement. This clause confers power on the Secretary of State to make regulations about the enforcement of obligations under share or property transfer regulations. The Secretary of State may confer jurisdiction on a court or tribunal and may make provision which has effect in respect of share transfer regulations or property transfer regulations only if applied by those regulations but may not impose a penalty or create a criminal offence.

Clause 46: Detrimental transactions. This clause provides that a court may make an order following an application by the Secretary of State under this section where the Secretary of State has exercised a transfer power in respect of a steel undertaking and the court considered that a transaction entered into at any time during the relevant period by the steel undertaking or by a qualifying person in relation to the steel undertaking is a detrimental transaction.

Clause 47: Disputes. This clause is concerned with the scope of the power under clauses 4 (share transfer regulations for the transfer of securities and securities include shares and stock, debentures and warrants) and 15 (property transfer regulations for the transfer of securities and securities include shares and stock, dentures and warrants). Specifically, it provides that such regulations may contain provision on disputes, conferring discretion on a person or a court to determine such matters.

Clause 48: Tax. This clause provides that the Treasury may make provision about the fiscal consequences of the exercise of a transfer power in relation to specified taxes. These taxes included devolved taxes.

Clause 50: Power to modify law in connection with share or property transfers. This clause gives the Secretary of State the power by regulations to modify or disapply other laws to ensure that the transfer powers under Part 1 (clauses 4 and 15) can be used effectively.

Clause 51: Interpretation of Part 1. This is a standard clause in legislation that provides definitions for words and phrases used within Part 1 of the Bill (clauses 1 to 51).

Clause 52: Compensation scheme regulations. This clause requires the Secretary of State to make provision in regulations for or in connection with the payment of compensation in connection with the exercise of a principal transfer power. It also provides the Secretary of State with a discretionary power for the payment of compensation in connection with the exercise of any transfer power other than the principal transfer power. Regulations under this Part are defined as "compensation scheme regulations".

Clause 53: Independent valuation of compensation. This clause allows for compensation scheme regulations made under clause 52 to provide that the amount of compensation payable is to be determined by an independent valuer.

Clause 54: Further provision about independent valuation. This clause gives the Secretary of State the power to confer functions, including discretions, on an independent valuer in the compensation scheme regulations.

Clause 55: Independent valuer: supplementary. This clause enables the independent valuer to do anything necessary or desirable to perform their role.

Clause 56: Independent valuer etc: remuneration. This clause allows compensation scheme regulations to contain provision for the payment by the Secretary of State of remuneration and allowances to the independent valuer and their staff.

Clause 57: Procedure for compensation scheme regulations. This clause sets out that the compensation scheme regulations are subject to the affirmative procedure.

Clause 58: Financial assistance. This clause confers a power on the Secretary of State to provide financial assistance to any person in connection with, or in consequence of, the exercise of a power conferred by Part 1 (clauses 4 and 15) in relation to a steel undertaking.

Clause 59: Reporting. This clause provides that the Secretary of State must issue a report to the House of Commons every 12 months detailing financial assistance provided under clause 58.

Clause 60: Repeal of SISMA 2025. This clause repeals the Steel Industry (Special Measures) Act 2025.

Clause 61: Regulations. This clause provides that regulations under the Bill are to be made by statutory instrument and sets out the procedure for those regulations.

Clause 62: Extent. This clause specifies the extent of the Bill, which is England and Wales, Scotland and Northern Ireland.

Clause 63: Commencement. This clause provides that the Bill comes into force on the day on which it is passed.

Clause 64: Short title. This clause specifies the Bill's short title.

UK Government view on the need for consent

13. The UK Government's devolution analysis shared with Welsh Government officials confirm that in their view, an LCM is required for clauses 1 to 5, 7, 9 to 17, 18 (for all subsections apart from subsection (4)), 19 to 23, 25 to 32, 33 (for all subsections apart from subsection (4)), 34 (for all subsections save for subsection (5)), 35, 36 (for all subsections apart from subsection (4)), 37 (for all subsections save for subsection (5)) 38 to 41, 43, 48, and 50 to 64.

14. I largely agree with UK Government's analysis apart from in respect of clauses 18 (4), 45 to 47. I am of the view that these provisions also have regard to devolved matters and thus an LCM is required in respect of them.

Reasons for making these provisions for Wales in the Steel Industry (Nationalisation) Bill

15. This is a UK-wide Bill which enables the Secretary of State to transfer the shares or property of a steel undertaking (an undertaking that consists of or includes the manufacture or processing steel, or the manufacture or processing of iron for the purpose of steel production) where it is necessary to do so in the public interest. The public interest test includes (though not exclusively) defence and national security both of which are reserved to the UK Parliament.
16. The Bill makes provision in respect of both reserved and devolved matters. Furthermore, the Bill is being progressed on an expedited timetable through the UK Parliament. It would be extremely difficult for the Senedd to scrutinise a Bill and pass that legislation to the same deadlines as the UK Bill is currently progressing through Parliament.

Financial implications

17. There are no financial implications for the Welsh Government concerning this bill.

Conclusion

18. In my view it is appropriate to deal with these provisions in this UK Bill as the Bill enables the UK Government to act if necessary to safeguard the steel sector. However, further engagement is required with UK Government on the role of the Welsh Ministers, and I have sought guarantees to that effect.

19. I will continue to monitor and provide updates on the Bill's passage through the UK Parliament. I will bring forward a recommendation to the Senedd on whether to give consent to the Bill once Welsh Government has analysed the wider impact of the UK legislative programme for Wales.

Adam Price MS
Cabinet Minister for Enterprise, Connectivity and Energy
25 June 2026