



# House of Commons

Tuesday 26 June 2012

## PUBLIC BILL COMMITTEE PROCEEDINGS

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### ENTERPRISE AND REGULATORY REFORM BILL

[FOURTH AND FIFTH SITTINGS]

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Mr Iain Wright  
Ian Murray  
Chi Onwurah

*Negated on division 5*

Clause 1, page 1, line 6, leave out from ‘(b)’ to end of line and insert ‘the acceleration and active promotion of initiatives with the purpose of facilitating significant improvements in energy savings and energy efficiency.’.

Mr Iain Wright  
Ian Murray  
Chi Onwurah

*Negated on division 3*

Clause 1, page 1, line 11, at end add—

- ‘(3) In undertaking investments in accordance with the green purposes outlined in subsection (1), the UK Green Investment Bank must take particular account of—
- (a) the ability of small and medium-sized enterprises of the United Kingdom to be awarded contracts,
  - (b) how the investment would improve the effectiveness of the UK supply chain in the relevant industry in which the investment was being made,
  - (c) helping UK businesses—
    - (i) reduce their greenhouse gas emissions, and
    - (ii) increase their energy efficiency, and
  - (d) investment in new and emerging technologies.’.

Mr Iain Wright  
Ian Murray  
Chi Onwurah

*Negated on division 4*

Clause 1, page 1, line 11, at end add—

- ‘(4) Nothing in subsection (1)(b) shall allow the UK Green Investment Bank to consider investments in high carbon infrastructure projects, or in projects likely to result in a significant increase in greenhouse gas emissions.’.

*Clause agreed to.*

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*Clauses 2 and 3 agreed to.*

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Mr Iain Wright  
 Ian Murray  
 Chi Onwurah

*Negatived on division 6*

Clause 4, page 3, line 19, at end add—

- ‘(7) The Secretary of State shall provide the European Commission with notification in accordance with state aid procedures that it is the intention of the Secretary of State to allow the UK Green Investment Bank to borrow from the capital markets.
- (8) The duty in subsection (7) must be fulfilled no later than 30 June 2013.
- (9) It is the duty of HM Treasury to permit the UK Green Investment Bank to begin borrowing from the capital markets no later than 31 December 2013, or one month following state aid approval having been received, whichever is the earliest.’

*Clause agreed to.*

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Mr Iain Wright  
 Ian Murray  
 Chi Onwurah

*Withdrawn 7*

Clause 5, page 3, line 24, at end add—

- ‘(2) The UK Green Investment Bank must ensure that—
- (a) all studies or assessments conducted in the preparation of a business plan, and their accompanying terms of reference,
- (b) all written correspondence exchanged between the Government Shareholder and the Board, and
- (c) all key operational documents, including internal working documents of the Bank relating to investment decisions,
- are made available on a website maintained in accordance with the requirements of this section, subject to the exemptions specified in subsection (3).
- (3) Information contained in documents required to be disclosed by subsection (2) may be withheld or redacted by the Bank where in the reasonable opinion of a qualified person—
- (a) its disclosure would prejudice the commercial interests of any person (including the Bank),
- (b) its disclosure would, or would be likely to, inhibit—
- (i) the free and frank provision of advice to or within the Bank,
- (ii) the free and frank exchange of views within the Bank for the purposes of deliberation,
- (c) its disclosure would otherwise prejudice, or would be likely otherwise to prejudice, the effective conduct of the Bank’s business,
- (d) a claim to legal professional privilege or, in Scotland, to confidentiality of communications could be maintained in relation to it in legal proceedings, or

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- (e) its disclosure—
- (i) is prohibited by or under any enactment, or
  - (ii) would constitute or be punishable as a contempt of court,
- and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- (4) The documents specified in subsection (2) must be made available on the Bank's website or a website that is maintained by or on behalf of the Bank.
- (5) Access to the documents specified in subsection (2) on the website must not be—
- (a) conditional on the payment of a fee, or
  - (b) otherwise restricted, except so far as necessary to comply with any enactment or regulatory requirement (in the United Kingdom or elsewhere).<sup>?</sup>

*Clause agreed to.*

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Mr Iain Wright  
Ian Murray  
Chi Onwurah

*Negated on division 8*

- Clause 6, page 3, line 32, leave out from '(2)' to end of line 33, and insert—
- 'The Secretary of State must within 12 months of the coming into force of this Act, and afterwards annually, prepare and lay before both Houses of Parliament a report on the activities and investments of the UK Green Investment Bank.
- (2A) The report under subsection (2) must, in particular, include or contain information about—
- (a) the investments undertaken by the UK Green Investment Bank during this period,
  - (b) how the UK Green Investment Bank is achieving its green purposes as set out in section 1,
  - (c) a value-for-money and efficiency statement,
  - (d) the identification and management of risk in respect of UK Green Investment Bank objects and investments,
  - (e) how the UK Green Investment Bank is not duplicating investments made in the markets, and
  - (f) how the UK Green Investment Bank has applied the Main Principles as set out in the UK Corporate Governance Code.<sup>?</sup>

Mr Iain Wright  
Ian Murray  
Chi Onwurah

*Negated on division 20*

- Clause 6, page 4, line 4, at end add—
- '(5) The Secretary of State will be required to receive an independent expert review of the performance of the UK Green Investment Bank.
- (6) The Secretary of State will be required to receive such a review no less than every five years.
- (7) An interim review must be held no less frequently than every two and a half years.
- (8) The independent expert review must, in particular, include information relating to—

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- (a) an assessment of the UK Green Investment Bank's environmental performance in fulfilling the green purposes as set out in section 1,
  - (b) an analysis of the main trends and factors likely to affect the future development, performance and investments of the UK Green Investment Bank,
  - (c) Macroeconomic analysis, including assessments of demand in the UK economy and international factors likely to affect green investment and skills within the relevant industries,
  - (d) assessment of the competitiveness of the UK Green Investment Bank in securing competitive advantage for the UK in green and low carbon economies relative to other countries, and
  - (e) recommendations to improve the UK Green Investment Bank's impact in fulfilling its green purposes in section 1.
- (9) Prior to the commencement of a review under subsection (5), the Secretary of State must request the views of—
- (a) the Secretary of State for Energy and Climate Change,
  - (b) the Secretary of State for Environment, Food and Rural Affairs,
  - (c) the Committee on Climate Change,
  - (d) Ministers from the devolved administrations,
  - (e) investors and interested parties, and
  - (f) members of the public.
- and provide a copy of the results of the consultations to the person or persons undertaking the independent review.
- (10) The Secretary of State, in the capacity of shareholder, must provide such information as he considers reasonable to enable the person or body undertaking the review to fulfil the requirements of subsection (8).
- (11) A review under subsection (5) must be published and laid before both Houses of Parliament.'.

*Clause agreed to.*

[Adjourned until Thursday at 9.00 am