



Department for
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& Industrial Strategy

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Dear Darren

Scrutiny of the Investment Security Unit by the BEIS Select Committee

I am writing to you following our discussion at the end of the BEIS Select Committee session on 13 April 2021, and following your discussion with the Minister for Small Business, Consumers and Labour Markets on 19 April 2021 on the role of the BEIS Select Committee in scrutinising the work of the Investment Security Unit (ISU). I was grateful for our exchange, and I wanted to set out my views in writing.

As we discussed, it is entirely right that the BEIS Select Committee should oversee the work of the ISU in its operation of the National Security and Investment (NSI) regime. It is the Parliamentary Committee with responsibility for overseeing the Department for Business, Energy and Industrial Strategy, where the Investment Security Unit will be housed. It is important that material can be shared with your Committee, and other Committees where appropriate and not in contradiction to established agreement.

As such, my Department will ensure that the BEIS Select Committee is able to access the material it needs in order to scrutinise the work of the ISU. This could include, for example, details of the risks that the ISU has identified under the NSI regime and the measures taken to address them. As part of this, my Department could provide you as the Chair of the BEIS Select Committee with confidential briefings on privy council terms.

I would be very happy to set this out in more detail in either a Memorandum of Understanding or a further exchange of letters.

I note that there are two important additional Committees who should act in an auxiliary capacity to the BEIS Select Committee, to ensure that the essential and cross cutting nature of the Investment Security Unit benefits from the rigour of Committees with expertise in each area the Unit covers.

I therefore encourage the Science and Technology Select Committee to provide scrutiny on the work of the ISU where the work of the Unit falls within the specific remit of that committee.

I also welcome the Intelligence and Security Committee's continued scrutiny of the work of the security services, which will include where the security services' work supports the work of the ISU.

I hope that this clarifies the Government's position on Parliamentary scrutiny of the work of the ISU, and I look forward to appearing in front of your Committee in due course on this issue, and indeed other matters which fall under my responsibility.

I have copied this letter to the chairs of the Science and Technology Committee and the Intelligence and Security Committee.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kwasi Kwarteng', written in a cursive style.

RT HON KWASI KWARTENG MP
Secretary of State for Business, Energy and Industrial Strategy