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Greg Clark

I am writing regarding the recent announcement by British Steel that it has entered an insolvency process. This will be a deeply worrying time for the thousands of dedicated British Steel workers, their families, local communities and the thousands of people who make up British Steel's supply chain.

The Government has worked intensively with British Steel, as previously demonstrated by the £120m commercial agreement reached between the company and Government in relation to obligations under the EU Emissions Trading Scheme, and in recent weeks through continuing efforts to find a solution to its cashflow challenges.

I updated the House of Commons yesterday, and committed to sharing the letter of indemnity to the Official Receiver, which I enclose here. I am placing a copy of this letter, and the enclosed indemnity letter, in the Libraries of both Houses, as I have done a copy of the Accounting Officer's assessment of the proposals considered.

The Government will now take every possible step to ensure that vital steelworking operations can continue and that jobs are secured. The Government will work with the Official Receiver, the special managers and with a British Steel support group of trade unions, management and the local communities to ensure that sites at Scunthorpe, Skinningrove and on Teesside continue to be important centres of excellent steelmaking.

This is clearly a worrying time for everyone associated with British Steel, which has a proud record of steelmaking excellence and I am determined to see it continue.

Yours ever
Greg Clark

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Secretary of State for Business, Energy & Industrial Strategy