

16 February 2023

## Energy transformation - time to seize the moment

### **BCECA reacts to the creation of new UK government departments**

In a [recent paper](#) from the Grantham Research Institute, Nicholas Stern and his colleagues offer an upbeat take on the opportunities presented by the energy transformation. Stern asserts that during the next five years, more than half of the tipping points for crucial green technologies will have been met, making them competitive in key markets. Progress must be maintained for several decades; however, the pivotal moment is now. "This decade is decisive to limit the risk of greater climate instability. Acceleration of action now is essential", writes Stern.

The engineering contracting community agrees, but it doesn't hold the cards. The clients decide what gets built and what doesn't. The legislative and business environment shaped by governments also determines the direction of travel and the rate of progress. That's why last week's sweeping reorganisation of UK government departments matters to the UK's engineering contracting sector.

The Department of Business Energy and Industrial Strategy has been broken up, heralding the formation of three new departments: The Department of Business and Trade, The Department of Energy Security and NetZero and The Department of Science Innovation and Technology

BCECA Chief Executive Tracey Shelley said:

"Bigger doesn't always mean better. It remains to be seen if these smaller departments can adopt a more agile and focused approach to the energy transformation and the central role that one of the UK's most successful industrial sectors can play in making it happen.

We wish the new Business Secretary, Kemi Badenoch, every success in her new role. No doubt her in-tray is already bulging; nonetheless, BCECA will contact her new ministerial team to clarify several important issues to our members, including the continued difficulties around off-payroll working and labour market challenges in the post-Brexit environment."

She went on to say:

"Given the challenges of decarbonisation and energy transformation, it is also exciting to see the creation of a dedicated department for energy matters.

Grant Shapps's appointment as the Secretary of State for Energy and Net Zero is welcomed. I trust that he will direct attention to kick-starting progress on the Energy Bill, which has been stuck in the legislation queue since July 2022.

A copy of [The Energy Transformation Challenge](#) – the report from our last annual conference - has been forwarded to Mr Shapps, along with an invitation to participate in our next event, which takes place in October.

Governments and ministers come and go, but the energy 'trilemma' – striking a balance between decarbonisation, security of supply and affordability – endures. UK based-contractors can deliver engineering solutions, but this needs a stable policy landscape. It's time to seize the moment and make the energy transformation happen."

---

**Notes for editors:**

BCECA provides a focus for intelligence gathering and knowledge sharing. Its membership includes many of the world's most widely recognised and respected engineering contractors with UK operations, including ABB, Air Products, Aker Solutions, Bechtel, Emerson, EniProgetti, Fluor, Honeywell UOP, Johnson Matthey, Kent, KBR, McDermott, Petrofac, R&M Electrical, SLB, Synthomer, Wood and Worley.

BCECA 10th Floor, Camelford House, 89 Albert Embankment, London, SE1 7TP  
For further information call +44 (0) 20 7091 8652, or email [admin@bceca.org.uk](mailto:admin@bceca.org.uk)  
Find us on the web at [www.bceca.org.uk](http://www.bceca.org.uk)