



Treasury Committee

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Rt Hon Philip Hammond MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
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14 November 2016

Dear Philip,

Nissan

Following Nissan's statement of commitment to its Sunderland operations of 27 October, the Secretary of State for Business, Energy and Industrial Strategy appeared on the BBC's *Andrew Marr show* on 30 October. In that interview he provided some further information about the assurances given by the Government to Nissan. These were rehearsed in the Secretary of State's Statement to the House the following day.

I would be grateful for further clarity on three points.

First, as you will be aware, the provisions of the Industrial Development Act 1982 require that the Treasury give its consent to financial or general assistance to industry. Has the Prime Minister or the Secretary of State, or other Ministers or officials in the Department of Business, Enterprise and Industrial Strategy or Number 10, consulted Treasury Ministers or officials about whether the support and assurances provided to Nissan might require Treasury approval? Has the Treasury given consent to financial or general assistance to Nissan, or the automotive sector generally, either on a contingent or provisional basis, or otherwise?

Second, do the support and assurances offered to Nissan (or to the automotive sector as a whole) entail any commitment to the future use of public funds (whether on a contingent or provisional basis, or otherwise), albeit for which there is no active request for resources through Departmental Estimates? No doubt, in responding to this point, you will bear in mind the requirements for the reporting of contingent liabilities to Parliament, set out in the Treasury handbook *Managing public money*.

Third, The Prime Minister, the Secretary of State, or other Ministers or officials in the Department of Business, Enterprise and Industrial Strategy or Number 10 may also have felt it appropriate to consult Treasury officials on whether the support and assurances offered to Nissan (or to the sector as a whole) were compatible with state aid and WTO rules. I would be grateful to know whether they were.

I would be grateful for a response to the questions above by 18th November.

I will be putting this letter, and in due course your response, in the public domain.

*Yours ever,
Andrew.*

RT HON ANDREW TYRIE MP

CHAIRMAN, TREASURY SELECT COMMITTEE