

Rt Hon John Healey MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Rt Hon Kwasi Kwarteng MP
Secretary of State for Business, Energy and Industrial Strategy
1 Victoria Street
London
SW1H 0ET

21 February 2022

Dear Kwasi

HMRC'S winding up order to Liberty Steel

I am writing to you with concerns about HMRC's decision to serve winding up petitions to Liberty Speciality Steels, with its important plants in Rotherham and Stocksbridge. The Government's action raises serious concerns about Liberty's steel-making future in South Yorkshire and is highly unsettling for workers in Rotherham who yet again face huge uncertainty about their future.

These are strategically important assets, supplying crucial customer markets and supply chains. They have a viable commercial future and government must ensure their continued operation.

Steel is a backbone industry for the UK economy and UK sovereignty, while communities across Britain take heart from knowing that UK steel was used in the construction of key public landmarks. As you know, the UK steel industry is facing a perfect storm of challenges with rising energy costs, supply chain disruption and punitive entry tariffs for the US market, which all other major steel-making nations except Britain have persuaded the Americans to remove.

Liberty have made welcome investments in our Rotherham steelworks, despite the continuing failure to secure long-term refinancing following the collapse of Greensill. Senior directors tell me that the UK is now the number one priority – ahead of their Eastern European business – for refinancing and that good progress is being made. Of course, the jury remains out on whether fresh investment will be secured but this is made harder by HMRC's winding-up order.

Liberty are doubly disappointed because they say the company has not missed any regular payments to HMRC and is committed to reaching an agreement over repayment of back-tax, in a way that also protects hundreds of steel jobs in the UK. If this is part of a wider Government strategy, then Ministers should explain themselves; otherwise, it appears one part of Government doesn't know what the other is doing. Either way, a rapid resolution to this matter is required.

I therefore write to urge you as Business Secretary to ensure HMRC get back around the table with Liberty to reach a repayments agreement and avoid the risk of Liberty being forced out of business by the Government.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'John Healey', written over a horizontal line.

John Healey MP
(WENTWORTH & DEARNE CONSTITUENCY)

Constituency Office: 79 High Street, Wath upon Dearne, Rotherham S63 7QB
Telephone: 01709 875943 Email: john.healey.mp@parliament.uk Website: www.johnhealeymp.co.uk

[JohnHealeyRotherham](https://www.facebook.com/JohnHealeyRotherham) [JohnHealey_MP](https://twitter.com/JohnHealey_MP) [johnhealeymp](https://www.instagram.com/johnhealeymp)