

The King's Speech 2024



Introduction

The King's Speech, held in Parliament on 17 July 2024, set out a legislative agenda that includes significant changes in planning, water regulation, energy, renters' rights, and devolution. These reforms and proposed new bills are poised to impact the rural sector in many ways, offering both challenges and opportunities for growth. It is important to note that there is no guarantee that all the proposed legislation mentioned in the speech will become law. Parliamentary time was a significant constraint for the previous government and bills evolve as they are scrutinised and debated by the Commons and the Lords. However, the government holds a large majority in the Commons, making implementing its legislative vision more likely.

Planning reform

The speech outlined significant planning reforms aimed at streamlining the planning process and encouraging development. The government plans to simplify existing planning regulations to bolster housing and infrastructure projects. This encompasses measures designed to expedite the approval process for new developments and reduce bureaucratic obstacles. The proposed Planning and Infrastructure Bill emphasises reforming compulsory purchase compensation rules, improving local planning decision-making and capacity, and utilising development to support nature recovery efforts.

The proposed adjustments aim to create a better-coordinated planning process between local authorities and developers. This is in line with the new government's target of building 1.5 million new houses over the next five years. The proposed Bill follows Chancellor Rachel Reeves' announcement of plans to reform England's National Planning Policy Framework (NPPF) in her first speech. As a result of this announcement, amendments were made to the NPPF, relaxing restrictions on the development of onshore wind sites. While the proposed Planning and Infrastructure Bill may be seen as a positive step for landowners in reducing barriers to development and infrastructure projects, some rural communities may resist it as it opens up the countryside to more development.

English devolution

The government committed to further devolution in England, providing more power and autonomy to local authorities by introducing the English Devolution Bill. It aims to enhance local governance and tailor policies to the specific needs of different regions. For rural areas, this could mean more localised decision-making regarding issues such as land use, infrastructure and economic development, potentially creating policies that better reflect rural communities' unique needs and priorities.

The UK has a highly centralised system of governance compared to other countries. The OECD suggests that the UK could increase productivity by 12% by transitioning to a devolved governance system. Devolving powers to England could work alongside planning reform by giving more powers to local authorities in the consultation process. However, devolution also brings challenges, such as ensuring fair funding and resource allocation, coordinating different levels of government, and addressing expertise gaps in local authorities.

GB Energy

A significant step towards establishing GB Energy was announced in the speech, with the introduction of the proposed Great British Energy Bill. This new publicly-owned energy company aims to enhance the country's energy security and promote using renewable energy sources. The Bill allows the secretary of state to allocate the £8.3 billion required for the establishment of GB Energy over the course of this parliament. GB Energy could provide opportunities for landowners through long-term land leases and renewable energy developments. Nevertheless, immediate challenges exist, such as the substantial investment required to launch the project and how it will integrate with existing infrastructure. The headquarters of GB Energy will be in Scotland, and the briefing released alongside the speech acknowledged Scotland's status as a "global leader" in the renewable energy industry.

The Great British Energy Bill is supported by The Crown Estate Bill, which grants The Crown Estate borrowing powers. This will enable it to bring forward 20 to 30 gigawatts of offshore wind seabed leases by 2030 to increase energy generation from the seabed it owns.

Renters' Rights Bill

The speech contained commitments to give greater rights and protections to people renting their homes, including ending no-fault evictions (use of section 21 notices) in England and reforming grounds for possession to give

tenants more security. This was also on the previous government's agenda; the Renters Reform Bill (see briefing note) received a "carry-over" motion so it could technically resume its parliamentary journey. The language in the King's speech and Labour's commitment to more rapidly abolish no-fault evictions implies a new Renters' Rights Bill will be introduced instead. Additionally, the speech addressed the implementation of Awaab's Law within the rental sector. This law aims to enforce prompt and comprehensive responses from landlords to address health hazards such as mould and dampness.

The proposed reforms would require rental property owners and managers to invest in property maintenance and upgrades to ensure compliance with the new health and safety standards. These changes would clearly impact landlords' obligations and responsibilities to ensure the well-being of their tenants. Furthermore, the end of section 21 evictions would require landlords to maintain clear and comprehensive documentation for tenant evictions to ease the process of gaining vacant possession. However, this should also promote transparency and fairness within the rental sector.

While these reforms aim to enhance tenant rights and living conditions, they could potentially increase landlords' management costs. However, it's also worth acknowledging that the level of compliance required by these proposed legislative changes may have a positive long-term impact on the sector. These changes could encourage and promote long-term tenancies, ultimately contributing to a more stable and predictable income for landlords.

Increased powers for Ofwat

The Water (Special Measures) Bill aims to address the pressing issues surrounding water services in England and Wales. It seeks to increase regulatory powers and enhance water companies' operational standards. This legislation is a response to escalating concerns from the public and government regarding the declining quality of water services, including problems such as sewage spills, pollution, and overall challenges in water management.

Key components of the Bill include introducing "special measures" for failing water companies, leading to increased regulatory scrutiny and the imposition of demanding performance improvements. Under these measures, water companies will be required to strictly reduce sewage discharges, upgrade infrastructure and adhere to more rigorous environmental standards. Moreover, the Bill proposes amplified financial penalties for non-compliance and imposes personal criminal liability on water company executives for any violations.

What was missing?

At this stage, it is important to caveat that all 39 of the proposed bills announced in the speech are not set in stone; they will be debated over the coming weeks before they advance any further. Given the large number of bills proposed, several important issues were not addressed. First, there were no policies relating to the agricultural industry, which is unsurprising, considering that the words "food" and "farming" were only mentioned ten times combined in the Labour manifesto, and the Agriculture Act 2020 is on the statute book. It already gives the government flexible powers to regulate the industry, introduce financial assistance and intervene in agricultural markets using secondary legislation.

Although the speech emphasised the importance of planning reform, it was light on actions to improve rural infrastructure. The Better Buses Bill has the potential to provide rural communities with better public transport links by granting powers to local leaders to improve the provision of local bus services. However, for rural areas to accommodate the proposed level of development, it is essential that their infrastructure evolves in line with these developments, and additional legislation to support the development of rural infrastructure may be needed over time. Although this will require significant funding, it is a crucial consideration for the government that will impact economic growth and access to services in rural areas. Looking ahead, we can hope rural issues will be incorporated into legislative discussions, allowing for the inclusive and balanced development of rural communities.

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