National Assembly for Wales

The Queen's Speech 2010 June 2010

Following the General Election on 6 May 2010, the Queen's Speech took place on the 25 May 2010. 23 Bills are to be brought forward by the newly elected UK Coalition Government.

The National Assembly for Wales will discuss the Queen's Speech in Plenary on Wednesday 16 June 2010. The Rt. Hon. Cheryl Gillan MP, the Secretary of State for Wales, will be in attendance.

Members' Research Service



The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

The Members' Research Service is part of the National Assembly for Wales. We provide confidential and impartial research support to the Assembly's scrutiny and legislation committees, and to all 60 individual Assembly Members and their staff.

Members' Research Service briefings are compiled for the benefit of Assembly Members and their support staff. Authors are available to discuss the contents of these papers with Members and their staff but cannot advise members of the general public. We welcome comments on our briefings; please post or email to the addresses below.

An electronic version of this paper can be found on the National Assembly's website at: www.assemblywales.org/bus-assembly-publications-research.htm

Further hard copies of this paper can be obtained from: Members' Research Service National Assembly for Wales Cardiff Bay CF99 1NA

Email: MembersLibrary@wales.gsi.gov.uk

© National Assembly for Wales Commission Copyright 2010

The text of this document may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not used in a misleading or derogatory context. The material must be acknowledged as copyright of the National Assembly for Wales Commission and the title of the document specified.

Enquiry no: 10 / 1658

National Assembly for Wales

The Queen's Speech 2010 June 2010

Alys Thomas

Paper Number: 10 / 058

Members' Research Service



Contents

	1	
Bills which a	apply to Wales	
	in devolved areas	
Decentralisa	tion and Localism Bill	2
	nd Children's Bill	
Energy Secu	rity and Green Economy Bill	4
2.2. Rese	rved Matters	5
Office of Bud	dget Responsibility Bill	5
The Nationa	Insurance Contributions Bill	5
Financial Ser	vices Regulation Bill	6
Equitable Lif	e Payments Scheme Bill	6
Airport Econ	omic Regulation Bill	6
	es Bill	
	d Savings Bill	
	y Reform Bill	
	eat Repeal) Bill	
	n and Social Responsibility Bill	
	s Bill	
	rm Bill	
	uments Bill	
•	ommunities (Amendment) Referendum Lock Bill	
	es Bill	
Terrorist-Ass	set Freezing Bill	I3
2.3. Bills	with limited impact or no application to Wales	13
Academies B	ill	13
Local Govern	nment Bill	13
Scotland Bill		13
2.4. Draf	t Bill	13

The Queen's Speech 2010

1. Introduction

Following the General Election of 6 May 2010 a new Conservative Liberal Democrat Coalition UK Government was formed. The <u>Queen's Speech</u>,¹ setting out the new Government's legislative plans took place on 25 May 2010 and 23 Bills were announced. **Thirteen of these apply to Wales, but in the main do not relate to devolved areas**. Four Bills are identified by the Wales Office as being "in areas which are wholly or part devolved" and that:

A limited number of provisions in each Bill may apply to Wales, and the extent of each Bill's application to Wales will be the subject of further work on scope and content.²

A further three Bills have little or no relevance to Wales.

Section 32 of the *Government of Wales Act 2006* provides for UK Ministers to attend proceedings of the Assembly but not to vote and standing orders state that "the Presiding Officer may call the Secretary of State to speak in any debate in which the Secretary of State is participating".³ It has been the practice for the Secretary of State for Wales to address a plenary meeting of the Assembly about the implications of the Queen's Speech for Wales. The Rt. Hon. Cheryl Gillan MP is attending the plenary meeting on Wednesday 16 June 2010 for this purpose.

The First Minister, the Rt.Hon. Carwyn Jones AM, issued a statement on the Queen's Speech:

Whilst we are clearly disappointed that the Queen's Speech made no reference to implementing the findings of the Holtham Commission, the UK Government's legislative programme remains an important source of legislation for Wales. We hope to develop a constructive working relationship with the new UK Government and, where relevant, work with them to take our priorities forward - including a positive response to our request for a referendum on further law making powers in late October.⁴

Only two Bills have been published to date, the *Identity Documents Bill* and the *Academies Bill* which is not relevant to Wales. Detailed information on most Bills is not, therefore, available and it is not known what, if any, Welsh provisions will be in them or whether they will confer any further Measure-making powers on the National Assembly for Wales.

¹ Information about contents of individual Bills taken from the <u>Number 10 website</u>

² HC Debates, 26 May 2010, Cols 9WS-10WS.

³ National Assembly for Wales, Standing Order 8.3

⁴ Welsh Government, Press Release, First Minister responds to Queen's speech, 25 May 2010

2. Bills which apply to Wales

2.1. Bills in devolved areas

In a Ministerial Statement to the House of Commons, the Secretary of State for Wales identified the four Bills below as being in devolved areas. She stated:

A limited number of provisions in each Bill may apply to Wales, and the extent of each Bill's application to Wales will be the subject of further work on scope and content.⁵

Decentralisation and Localism Bill

The purpose of the Bill is to devolve greater powers to councils and neighbourhoods and give local communities control over housing and planning decisions.

The main elements of the Bill are to:

- Abolish Regional Spatial Strategies.
- Return decision-making powers on housing and planning to local councils.
- Abolish the Infrastructure Planning Commission and replace it with an efficient and democratically accountable system that provides a fast-track process for major infrastructure projects.
- New powers to help save local facilities and services threatened with closure, and give communities the right to bid to take over local state-run services.
- Abolish the Standards Board regime.
- Give councils a general power of competence.
- Require public bodies to publish online the job titles of every member of staff and the salaries and expenses of senior officials.
- Give residents the power to instigate local referendums on any local issue and the power to veto excessive council tax increases.
- Give greater financial autonomy to local government and community groups.
- Create Local Enterprise Partnerships (to replace Regional Development Agencies) –
 joint local authority-business bodies brought forward by local authorities to
 promote local economic development.
- Form plans to deliver a genuine and lasting Olympic legacy.
- Outright abolition of Home Improvement Packs.
- Create new trusts that would make it simpler for communities to provide homes for local people.
- Review Housing Revenue Account.

⁵ HC Debates, 26 May 2010, Cols 9WS-10WS.

Some of these provisions only apply to England such as regional spatial strategies. However, Welsh local authorities' powers with respect to planning, general competence and local government finance are based in England and Wales legislation, although Welsh Ministers have wide powers under that legislation. At this stage it is unclear whether or not the planning powers of Welsh Ministers and local authorities in Wales will be affected by this Bill.

The Infrastructure Planning Commission, due to be abolished, covers both Wales and England. The IPC was established by the *Planning Act 2008* and began to operate from March 2010. In Wales it is responsible for applications for development consent for large-scale energy projects and some other major infrastructure projects such as new pipelines and new harbour facilities.

The commitment to "create new trusts that would make it simpler for communities to provide homes for local people" refers to Local Housing Trusts which will be new community-led bodies with planning powers to develop homes, provided there is strong community backing. It is unclear how these relate to Community Land Trusts (CLTs) which have been piloted by the Department of Communities and Local Government in England and the Welsh Government in Wales. The draft Housing and Local Government Legislative Competence Order would have allowed the Assembly to legislate on CLTs insofar as they were concerned with affordable housing. The coalition agreement makes a commitment to 'take forward' this Legislative Competence Order as it was not approved before the general election. The Welsh Government provides funding to support the development of CLTs in Wales.

In respect of the undertaking to review the Housing Revenue Account, there is currently a review of the way local authority housing is financed in Wales. Local authority housing finance was not part of the Housing and Local Government Legislative Competence Order, although there was a request from the WLGA that it should be included so that any changes that were to come out of the current review could be implemented.

The Legislative Competence Order was discussed when the First Minister met the new Prime Minister on 17 May 2010.⁶

Education and Children's Bill

The main elements of the Bill are:

- To provide schools with freedoms.
- To reform Ofsted and other accountability frameworks to ensure that head teachers are held properly accountable for the core educational goals of attainment and closing the gap between rich and poor.

⁶ Welsh Government, Lobby briefing May 18 with First Minister Carwyn Jones and Deputy First Minister leuan Wyn Jones.

- To introduce a slimmer curriculum giving more space for teachers to decide how to teach.
- To introduce a reading test for six year olds to make sure that young children are learning and to identify problems early.
- To give teachers and head teachers the powers to improve behaviour and tackle bullying.
- Introduction of a 'pupil premium' so that more money follows the poorest pupils.

The majority of provisions likely to be included in this Bill would apply to England only. Some of the provisions may extend to England and Wales depending on the final detail.

Health Bill

The main elements of the Bill are:

- To establish an independent NHS Board to allocate resources and provide commissioning guidance, and to allow GPs to commission services on behalf of their patients.
- To improve efficiency and outcomes by strengthening the role of the Care Quality Commission and developing Monitor into an economic regulator to oversee aspects of access and competition in the NHS.
- To take forward proposals to significantly cut the number of health quangos, helping cut the cost of NHS administration by a third.

The majority of issues addressed in this Bill are devolved matters and generally apply to England only.

Energy Security and Green Economy Bill

The purpose of the Bill is to provide a step change in the provision of energy efficiency measures to homes and businesses and put in place a framework to deliver a future with secure, low carbon energy supplies and fair competition in the energy markets.

The main elements of the Bill are to:

- Implement a "Green deal" to deliver energy efficiency to homes and business delivering a framework including potential incentives to energy suppliers and households that will transform the provision of energy efficiency in the UK by enabling a 'pay as you save' approach.
- Regulate the carbon emissions from coal-fired power stations.

- Reform energy markets to deliver security of supply and ensure fair competition;
- Put in place a framework to guide the development of a smart grid that would revolutionise the management of supply and demand for electricity.
- Require energy companies to provide more information on energy bills in order to empower consumers and to ensure fair access to energy supplies;
- Ensure that North Sea infrastructure would be available to all companies to ease the exploitation of smaller and more difficult oil and gas fields.
- Create a Green Investment Bank to support investment in low carbon projects to transform the economy.

The majority of provisions likely to be included in this Bill would extend to **England**, **Wales and Scotland**. Some of the provisions may have devolved aspects, depending on the final detail.

2.2. Reserved Matters

Office of Budget Responsibility Bill

The purpose of the Bill is to:

- Establish an Office for Budget Responsibility (OBR).
- A three person Budget Responsibility Committee, chaired by Sir Alan Budd, heads the OBR. It will operate on an interim basis for the first Budget, supported by a civil service secretariat.
- The interim body will publish forecasts in advance of the emergency Budget and will also assess the long-term sustainability of the public finances and the public sector balance sheet.
- A Bill would provide a statutory underpinning for the Office for Budget Responsibility.
- The main aim of the Bill is that forecasts would not be determined by the Chancellor's judgements; the Chancellor would accept the forecasts from the OBR for the Budget and Pre-Budget report.

The National Insurance Contributions Bill

The purpose of the Bill is to increase rates of National Insurance Contributions (NICs) from April 2011 and possibly make further changes that promote enterprise and fairness.

The main aim of the Bill is to raise £9 billion, which would finance an increase in the income tax personal allowance and an increase in the NICs threshold and employees on the main rate earning under £20,000 would pay less NICs.

The main elements of the Bill are increases to the rates of NICs from 6 April 2011:

- Main rate of Class 1 and Class 4 National Insurance Contributions (NICs) would be increased by 1 per cent to 12 per cent and 9 per cent respectively;
- Class 1 employer rate of NICs would be increased by 1 per cent to 13.8 per cent and will also apply to Class 1A and Class 1B NICs; and
- Additional rate of Class 1 and 4 NICs would be increased by 1 per cent to 2 per cent.

NICs and HMRC are UK wide, so **the Bill would extend to England, Scotland, Wales and Northern Ireland** (although separate provision in the Bill will be required for Northern Ireland). The Number 10 website states that the devolved administrations will be advised of the proposals.

Financial Services Regulation Bill

The purpose of the Bill is to give the Bank of England control of macro-prudential regulation and oversight of micro-prudential regulation.

Equitable Life Payments Scheme Bill

The purpose of the Bill is to give HM Treasury statutory authority to incur expenditure in making payments to Equitable Life policyholders.

Airport Economic Regulation Bill

One of the first announcements made by the new UK Government was to call a halt to the third runway at Heathrow and rule out further expansion at Gatwick. The Number 10 website states:

Having ruled out new runways in the South East, we will engage with all stakeholders in the sector to develop a new vision for a competitive aviation industry, supporting UK economic growth and designed within the constraint of the existing runway infrastructure. This Bill will reform the framework for the economic regulation of airports to benefit passengers and drive investment in airport facilities. .

The main elements of the Bill are to replace the existing system for setting price caps at airports which are subject to economic regulation with a more flexible framework focused on the outcomes that matter to passengers. Further consideration is being given to other matters that could be included in this Bill.

Airport economic regulation is a reserved matter as regards the power to legislate.

Postal Services Bill

The Bill would seek to tackle the fundamental and longstanding problems facing Royal Mail. The Bill would enable an injection of private capital, along with other measures, to help Royal Mail and ensure the provision of the universal postal service.

The main elements of the Bill are to:

- Enable the disposal of shares in the Royal Mail to third parties that could raise equity for reinvestment in the business.
- Recognise the important social and economic role played by post offices in communities throughout the UK. Post Office Limited will therefore remain in public ownership.
- Take measures to resolve the problems surrounding Royal Mail's pension deficit
- Make potential changes to the regulatory framework for postal services.
- Explore options for employee engagement at Royal Mail, to enable management and the workforce to work together to meet Royal Mail's significant challenges and enable all to share in its future success.

The Bill applies to Wales, England, Scotland and Northern Ireland.

Pensions and Savings Bill

Under current legislation, the State Pension age is due to increase to 66 between 2024 and 2026 followed by two further increases at ten-year intervals. The review will re-examine this timetable and make recommendations.

The main aim of the Bill would be to help ensure the future affordability of the State Pension, including the restoration of the link between earnings and the basic State Pension.

The Bill would apply to Wales, England and Scotland.

Parliamentary Reform Bill

The aim of this Bill is to provide for a greater public say over how they are represented in Parliament, improve the reputation of Parliament and provide for more parliamentary control over the Government.

■ To provide for a referendum on a choice between First Past the Post and the Alternative Vote as the system for electing the House of Commons, and

change the electoral system for the Commons to the Alternative Vote if the result of the referendum supports this.

- To provide for a reduction in the number of seats in the House of Commons and more equally sized constituencies, through changes to the rules for boundary reviews to enable the Boundary Commissions to draw up the new constituencies during the current Parliament.
- To provide for fixed, rather than maximum, term parliaments of five years and to provide that the next General Election shall be on 7 May 2015.
- To provide that a Prime Minister can seek an earlier dissolution of Parliament only if 55 per cent of the membership of the House of Commons have voted in favour of this.
- To provide that where an MP is judged to have engaged in serious wrongdoing, constituents can petition for the 'recall' of the MP. If more than 10 per cent of electors sign the petition, then a by-election will be held in the seat.

Any legislation will apply to the United Kingdom. All proposals are reserved in all three of the devolution settlements.

The provision for a reduction in the number of seats in the House of Commons and the creation of more equally sized constituencies has led to speculation that the size of the Assembly will be reduced. A recent Electoral Reform Society paper states:

As the law stands, a reduction in the number of Welsh constituencies and MPs in Westminster would lead to the reduction in the number of Assembly Members in Cardiff Bay. This is particularly so if this would also involve resolving Wales's current over-representation at Westminster, which would bring the number of constituencies down to 30. This would mean an Assembly of 45 members.⁷

Section 2(1) of the Government of Wales Act 2006 states that:

The Assembly constituencies are the parliamentary constituencies in Wales (as specified in the Parliamentary Constituencies and Assembly Electoral Regions (Wales) Order 2006 (S.I. 2006/1041)).

Primary legislation at Westminster would be required to "de-couple" Westminster and Assembly constituencies and to allow for their boundaries to be reviewed. This has precedent in Scotland.

The last UK Government reduced the number of MPs without reducing the number of MSPs in Scotland. They did so by retaining the old constituencies for the purposes of the Scottish Parliament. In order to avoid reducing the number of MSPs, the UK Parliament passed the <u>Scottish Parliament (Constituencies) Act 2004</u>. This piece of legislation modified the <u>Scotland Act 1998</u> by removing the necessary link between the Scottish Parliament constituencies and those for the UK Parliament.

⁷ Electoral Reform Society, Reduce and Equalise' and the Governance of Wales, May 2010.

This means that the Scottish Parliament continues to have 73 constituencies and their boundaries remained unchanged.

When the First Minister met the new Prime Minister on 17 May 2010 "the implications for the Assembly if the number of MPs is cut" was one of the topics discussed.⁸

Freedom (Great Repeal) Bill

The Freedom or Great Repeal Bill would address concerns around what some have argued is the surfeit of criminal justice legislation in recent years. It also provides an opportunity to strengthen the accountability of bodies receiving public funding in light of lessons learnt so far from the operation of the *Freedom of Information Act*.

The exact content of the Bill will be announced in due course and could cover a range of policies, including:

- The extension of the scope of the Freedom of Information Act to provide greater transparency.
- The protection of historic freedoms through the defence of trial by jury.
- The reform of libel laws to protect freedom of speech.
- The repeal of unnecessary criminal offences.
- Adopting the protections of the Scottish model for the DNA database.
- The restoration of rights to non-violent protest.
- Safeguards against the misuse of anti-terrorism legislation.
- Further regulation of CCTV.
- Ending of storage of internet and email records without good reason.

Criminal measures will normally only apply to Wales, England and Northern Ireland.

Police Reform and Social Responsibility Bill

The purpose of the Bill is to make the police service more accountable to local people, create a dedicated Border Police Force and set out measures to tackle alcohol-related violence and disorder.

⁸ Op.cit; Welsh Government, Lobby Briefing, 18 May 2010.

The main elements of the Bill are:

- Directly elected individuals to hold the police to account. They would ensure that local policing activities meet the needs of the local community, help build confidence in the system and bring communities and the police together.
- Amended health and safety laws that do not stand in the way of 'common sense' policing.
- Dedicated Border Police Force, as part of a refocused Serious Organised Crime Agency, to enhance national security, improve immigration controls, and crack down on the trafficking of people, weapons and drugs.
- Strengthened relations to deal with serious crime and extended collaboration between forces to deliver better value for money.
- Overhaul of the *Licensing Act* to give local authorities and the police much stronger powers to remove licenses from, or refuse to grant licenses to, any premises that are causing problems. Banning the sale of alcohol below cost price. Also allowing local councils to charge more for late-night licenses to pay for additional policing, giving them powers to shut down shops or bars persistently selling to children and doubling the maximum fine for selling to children to £20,000.

With the exception of Border Police, provisions apply to Wales and England.

Public Bodies Bill

The main elements of the Bill are:

- Ensuring greater accountability, transparency and efficiency in Government by reducing the number and cost of public bodies (quangos).
- To give ministers the powers to abolish, merge or transfer quangos back into Departments. As at 31 March 2009, there were 766 non-departmental public bodies. They spend over £46 billion a year and employ over 110,000 people.
- To review the functions of all public bodies every three years, as opposed to the current practice of every five years. The review will comprise a test: 'Is the function technical; does it need to be politically impartial; and do facts need to be determined transparently?'

The Bill applies to England and Wales.

Welfare Reform Bill

The purpose of the Bill is to simplify the benefits system in order to improve work incentives.

Any benefit changes will apply to **Wales, England and Scotland**. Provision or benefits in Northern Ireland is devolved and will require parallel legislation.

Identity Documents Bill

The Bill will scrap ID cards on commencement of the Act and require the destruction of all personal information gathered from cardholders to cancel the National Identity Register.

The main elements of the Bill are:

- The cancellation of all ID cards within one month of Royal Assent.
- Removal of the statutory requirement to issue ID Cards on Royal Assent.
- Cancellation of the National Identity Register.
- destruction of all data held on the Register within one month of Royal Assent;
- Closing the Office of the Identity Commissioner.
- Re-enactment of certain necessary provisions of the *Identity Cards Act 2006* including some criminal offences (possession or use of false identity documents) that are commonly used for identity documents other ID cards.
- No refunds to existing cardholders.

The *Identity Cards Act 2006* received Royal assent on 30 March 2006. It allows an identity cards scheme to be established in the United Kingdom. It provides for the establishment of a National Identity Register to hold core identity details of all UK residents who have registered together with their photograph and fingerprints and for a card to be issued to them. Information held on the Register can be subject to verification for an employer, bank or building society. Prior consent of the card holder would be required before IPS would carry out verification of identity. Information from the Register on identity verification may be released without the consent of the individual to the police, security services and other relevant government departments subject to meeting necessary strict criteria. The 2006 Act also created new criminal offences relating to the misuse of ID cards and other forms of identity such as passports and driving licences; and other identity fraud issues. This Bill proposes re-enactment of these offences.

The *Identity Card Act 2006* does not provide devolved powers for the issue of Identity Cards and the scrapping of the scheme is not subject to consideration by the devolved administrations.

The Bill does, however, propose the re-enactment of criminal offences relating to possession of false identity documents such as passports and driving licences; and to possession of apparatus to create false documents such as passports and driving licences. The UK Government has consulted with colleagues in Scotland and in Northern Ireland on re-enactment of these offences.

European Communities (Amendment) Referendum Lock Bill

The main elements of the Bill are:

- Amendment of the European Communities Act 1972 to ensure that any proposed future EU Treaty, or amendment to the Treaties, and major ratchet clauses that transfer competences or areas of power from the UK to the EU would be subject to a referendum.
- Amendment of the European Communities Act 1972 to ensure that an Act of Parliament would be required before a 'ratchet clause' (passerelle) could be used.
- Ratification of a Protocol to amend the EU Treaties on measures to adjust the size of the UK and 11 other Member States' delegations in the European Parliament during the current EP Parliamentary term, rather than waiting for the next European Parliamentary elections in 2014.
- The Government will examine the case for a United Kingdom Sovereignty Bill, to make it clear that ultimate authority stays in this country.

The Bill applies to the whole of the United Kingdom.

Armed Forces Bill

The Armed Forces Bill will continue in force the legislation governing the Armed Forces and make provision for other defence matters.

The main elements of the Bill are:

- Renewal of the legislation.
- Changes to Court Martial powers.
- Provisions relating to Service personnel policy.
- Service police matters, including provisions for strengthening the independence of Service police investigations.
- A number of provisions for other defence matters.

The Bill applies to the whole of the United Kingdom.

Terrorist-Asset Freezing Bill

The Bill would set out the framework for effectively implementing asset freezing in the UK, as required by the United Nations, and would put the regime on a secure legislative footing, ensuring that terrorist assets remain frozen.

The Bill would set out the legal test for freezing assets, the process for making decisions, the scope of the prohibitions, exemptions provisions, criminal offences and appeal mechanisms.

The Bill applies to the whole of the United Kingdom.

2.3. Bills with limited impact or no application to Wales

Academies Bill

This Bill had its Second Reading on 7 June 2010 in the House of Lords. It will enable more schools in England to become Academies. Academies will receive directly the share of funding that their local authority used to receive on their behalf.

Local Government Bill

This Bill halts the creation of unitary local authorities in parts of England.

Scotland Bill

This Bill would implement recommendations of the Final Report of the Commission on Scottish Devolution (the Calman Commission). It is expected to:

- Strengthen the devolution settlement in Scotland.
- Increase the financial accountability of the Scottish Parliament.
- Renew the policy responsibility split between the UK and Scottish Parliament.
- Improve the relationship between the UK Government and Scottish Ministers.

2.4. Draft Bill

Parliamentary Privilege Bill.