

Queen's Speech 2014

Purpose

For discussion and decision.

Summary

The paper offers Members an early sight of legislation of relevance to member councils which officers expect to be included in the 2014 Queen's Speech on 3 June. It sets out the Bills and includes suggested prioritisation.

Recommendation

That the Executive approve the suggested priority Bills for the LGA. This will identify where our resources should be focussed to ensure we deliver the best possible outcomes for the local government sector on forthcoming legislation.

Action

As directed by Members.

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Queen's Speech 2014

Expected legislation of relevance to local government

Deregulation Bill

1. Published for pre-legislative scrutiny¹ during the 2013/14 session, this Bill has been positioned by Whitehall as “the latest step in the Government’s ongoing drive to remove unnecessary bureaucracy that costs British businesses millions, slows down public services like schools and hospitals and hinders millions of individuals in their daily lives”. As detailed in our written² and oral evidence during the pre-legislative scrutiny process, the proposals published in the draft Bill are largely uncontentious for local government, and in some instances welcomed. However, the Bill could go further, and (given the breadth of the legislation) offers the opportunity for us to put forward recommendations for additional clauses reflecting long standing LGA positions.
2. The Bill was published in February 2014 and is expected to be carried over into the new session. We are working proactively to promote a range of amendments, covering areas in the Bill such as housing (specifically Right to Buy) and waste. In respect to the latter, we are opposed to measures in the Bill related to the decriminalisation of household waste. Currently, under the Environmental Protection Act 1990, a waste collection authority may by notice require occupiers of premises to present their household waste for collection in a specified way. Failure, without reasonable excuse, to comply with such a requirement is an offence under the Act and a fixed penalty may be offered as an alternative to prosecution. The Deregulation Bill includes provisions to amend the Environmental Protection Act 1990, removing the offence in relation to England. In addition to amendments, we are pursuing the possibility of new clauses on subjects related to *Rewiring Public Services* such as licensing reform and removal of the housing borrowing cap. We are also looking to table amendments on abolishing the legal duty on local authorities to publish statutory notices in local newspapers.

Local Government Ombudsman Bill

3. The Government announced on 29 November 2013 that an independent review³ of the Local Government Ombudsman⁴ had recommended significant reforms. The Government accepted the review’s conclusions⁵ that the governance arrangements of the Ombudsman service should be modernised, moving “to a single Local Government Ombudsman for England, providing robust and consistent leadership, driving up performance and ensuring that the public can obtain swift redress when things go wrong”⁶. The recommendations of the review

¹ <https://www.gov.uk/government/publications/draft-deregulation-bill>

² Available at

<http://www.local.gov.uk/documents/10180/5533246/LGA+submission+to+draft+Deregulation+Bill+Ctte.pdf/89fa0a87-ee80-44d5-a286-d6c333968df9>

³ Details available at <https://www.gov.uk/government/publications/governance-review-of-the-local-government-ombudsman-service>

⁴ <http://www.lgo.org.uk/>

⁵ <https://www.gov.uk/government/publications/governance-review-of-the-local-government-ombudsman-service>

⁶ <https://www.gov.uk/government/news/ombudsman-to-offer-better-public-redress-service>

included seeking “an early opportunity...to make the limited legislative changes to provide for a single Local Government Ombudsman in England.” It will be important for the LGA to review this legislation when published and assess whether any amendments should be sought.

Parking legislation

4. The Government has over the last six months been debating the issue of parking and is pushing to amend the current legislation to remove the ability of councils to enforce parking through the use of CCTV. In February, responding to a linked media story, DCLG publically state that they had “recently published proposals to ban CCTV for parking. Subject to the consultation process, the Government will then amend legislation and associated statutory guidance to deliver on this pledge.” Officers believe that the majority of the Government’s intended reforms will be done through secondary regulations and amendments to guidance. However, we believe, as does the British Parking Association, that banning CCTV and implementing reforms around the adjudication process almost certainly would require amendments to primary legislation. Should such primary legislation come forward or an amendment be introduced through another legislative vehicle, we would campaign against the proposal (in line with the position agreed by the Economy and Transport Board).

Childcare costs

5. There were reports in March 2014 of Government plans to introduce primary legislation through the Queen’s Speech to tackle the cost of childcare. These reports stated that legislation will be brought forward “that will see parents handed a tax-free childcare scheme. The programme, to be phased in from next year, will see parents handed support worth up to £1,200 a year.” Following these reports, the Chancellor announced in his Budget on 19 March that, from September 2015, households where both parents work will benefit from an extension to the tax free childcare scheme worth up to £2,000 (up from £1,200) for children up to age 12 (brought forward from 2020).
6. As detailed in our Budget *On The Day Briefing*, childcare costs can still be far too high for many, with significant numbers of parents receiving no support if they choose to return to work. Any support to help make these costs more affordable is welcome. All eligible parents with children under 12, and disabled children under the age of 17, will be able to receive support within the first year of the scheme’s operation and the LGA welcomes the extended definition of parents treated as being in work, for example, to cover those on unpaid statutory maternity, paternity and adoption leave and those in receipt of ‘credits only’ Employment and Support Allowance.

Consumer Rights Bill

7. The Government believes that UK consumer law is currently unnecessarily complex, ambiguous and has not kept up with technological developments, particularly sale of goods via the internet. The aim of this Bill is to propose a simple, modern framework of consumer rights to help consumers and their advocates understand their rights when things go wrong. The Business, Innovation and Skills Select Committee conducted pre-legislative scrutiny of the draft Bill during the 2012/13 session. We raised concerns about proposals in the Bill which could weaken the ability of councils to tackle rogue traders by

reforming powers of entry. We also highlighted issues around introducing minimum competency standards for trading standards officers.

8. The Bill was published in January 2014 and will be carried over into the new session. As a result of our campaigning, the Government amended the legislation to take into account our concerns during draft legislative scrutiny. The LGA briefed in support of the Bill at Second Reading, welcoming the Government's amendments and highlighting the important role of trading standards to ensure strong local economies.

Highways Agency Bill

9. Within the command paper entitled *Action for Roads*⁷, published July 2013, the Government committed to introducing legislation in 2014 which would provide a stable funding basis for investment in roads and legal powers for the new Highways Agency.
10. The paper states that, from 2015 onwards, the Highways Agency will have long-term funding certainty on its capital programme and resource maintenance, initially to 2021. In addition, the Government will introduce a Roads Investment Strategy (RIS), setting out plans for construction and maintenance to 2021 and beyond, as well as performance criteria. It will also cover expectations for the operation and management of the network. The requirements of the funding settlement and RIS will be confirmed within legislation, which will be introduced alongside wider reforms to the Highways Agency, converting the body from its present form as an executive agency into a strategic highways company. This body will be 100 per cent-owned by the state, but (Whitehall argues) will be free from many of the red tape requirements of being a part of central government.

Criminal Courts and Justice Bill

11. The Bill was introduced into Parliament in February 2014 and could be another carry over Bill. Ahead of Second Reading, we briefed in support of certain provisions in the Bill which are designed to speed up the planning system with the establishment of a specialist planning court for major applications. We also supported the provisions in the Bill to entitle 17 year olds to an appropriate adult if they are given a youth caution or youth conditional caution. However, this reform has resource implications for local authorities and, therefore, we are calling for this new provision to be properly funded as a New Burden.

Modern Slavery Bill

12. The Bill was published in draft on 16 December 2013 and aims to tackle human trafficking. It will be a consolidation Bill that will bring together several other pieces of older legislation that now need updating to tackle recent criminal activity on trafficking. The Bill aims to increase the maximum custodial sentence for offenders from 14 years to life. The draft Bill seeks to create a new post of anti-slavery commissioner to hold law enforcement and other organisations to account. Clause 35 of the draft Bill seeks to apply to Local Authorities a new "Duty to Report" potential victims of trafficking to the National Crime Agency.

⁷ Available at <https://www.gov.uk/government/publications/action-for-roads-a-network-for-the-21st-century>

Pensions Bill

13. A new Pensions Bill is expected in the final session of this Parliament. It was reported in January that Ministers are intending to introduce legislation allowing 'collective' pensions arrangements. Pensions Minister Steve Webb is reported to have said that he wants a bill in the next Queen's Speech to bring in the system, which sees workers' contributions pooled, with the risks and rewards spread out evenly. The media reported that these schemes have previously been criticised because they do not offer a guaranteed income. Measures relating to collective pension arrangements will only impact upon private sector pensions.
14. In the Budget on 19 March, the Chancellor announced: greater flexibility for defined contribution pension savers when deciding how to take their accumulated pension pot from March 27; legislation to simplify or remove the remaining restrictions on taking pensions as lump sums rather than annuity by April 2015; a consultation on the impact of these measures on defined benefit schemes (with a closing date of 11 June 2014); and legislation to remove the right to transfer benefits from defined benefit public service schemes to private sector defined contribution schemes by April 2015.
15. Although the Local Government Pension Scheme (LGPS) and Teachers Pension Scheme appear to be ring fenced from these changes, the LGA will consider how best to respond to the consultation in order to ensure both schemes provide for secure pensions in retirement and the effective long term investment of LGPS assets. Officers will review the legislation once published to make a comprehensive assessment of any impact on member authorities and undertake parliamentary activities should a greater impact be realised.

Wales Bill

16. The draft Wales Bill, published⁸ during the 2013/14 session, proposed reforms to enable devolved governance in Wales to become more accountable.
17. The draft Wales Bill proposes to implement recommendations from the Silk Commission's first report⁹ on the devolution of tax and borrowing powers to the National Assembly for Wales and the Welsh Government. These changes would give Wales more fiscal autonomy, and make the Assembly and the Welsh Government more accountable to people in Wales for raising the money they spend. The proposals in the draft Bill to devolve tax-raising powers mean that spending decisions made by the Assembly and the Welsh Government will, for the first time, have consequences in terms of devolved taxation. The proposals also provide Welsh Ministers with an independent funding stream to support their new capital borrowing powers provided for in the draft Bill. These powers will enable the Welsh Government to borrow to invest in renewing Wales's infrastructure and support growth in the Welsh economy. The Government's proposals would enable the Assembly to decide to trigger a referendum so that people in Wales can decide whether some of their income tax should be devolved, in the same way as in Scotland.

⁸ <https://www.gov.uk/government/publications/draft-wales-bill>

⁹ <http://commissionondevolutioninwales.independent.gov.uk/>

18. The Bill itself was published on 20 March. In a written statement to Parliament, Secretary of State for Wales Rt Hon David Jones MP said that the Bill 10:

18.1. “will provide the Welsh Government and the National Assembly for Wales with more levers and incentives to deliver greater economic growth in Wales. The Bill will make the Welsh Government more accountable to the people of Wales, as it will be responsible not only for the money it spends but also, for the first time, how it raises some of that money. The Bill will also provide the Welsh Government with the mechanism to borrow in order to fund improvements in Wales's infrastructure and reforms the Assembly's electoral arrangements to make them fairer and more equitable. Alongside the Bill the Command Paper, *Wales Bill: Financial Empowerment and Accountability* explains the effects of the Finance elements in Part 2 of the Bill in more detail and sets out further actions that the Government is taking, following the recommendations of the Silk Commission's Part I report, that do not require legislation.”

19. The Bill's passage through parliament will present us with an opportunity to support fiscal devolution to Wales, whilst highlighting the ongoing disparity with English local government, as noted within the *Rewiring Public Services* campaign.

Fire Bill

20. At the time of writing, we are waiting for confirmation from the Government on the intended timetabling for bringing forward the proposals of the Knight Review¹¹. In December 2012, Ministers commissioned¹² Sir Ken Knight, the outgoing Chief Fire and Rescue Advisor (2007 to 2013), to conduct an independent review of efficiency in the provision of fire and rescue in England. The resulting report, 'Facing the future' presented Sir Ken's findings and was published¹³ in May 2013. The Government has yet to publish its response, although officers are expecting the response to be in the form of a white paper, with proposals for both legislative and non-legislative action. The Government has indicated that there will be no available parliamentary time for any fire related legislation during the final session, so it is unlikely that any legislative measures associated with Sir Ken's review will be brought forward this side of the next General Election. The Communities and Local Government Select Committee also held an inquiry into the Knight Review¹⁴ which we responded to with written and oral evidence¹⁵. The Committee has yet to publish a report with its findings.

¹⁰ Full details available at <https://www.gov.uk/government/publications/wales-bill>

¹¹ <https://www.gov.uk/government/publications/facing-the-future>

¹² <https://www.gov.uk/government/news/government-fire-chief-to-lead-efficiency-review-of-fire-and-rescue>

¹³

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/200092/FINAL_Facing_the_Future_3_md.pdf

¹⁴ <http://www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/inquiries/parliament-2010/knight-review/>

¹⁵ Written evidence available to download at: http://www.local.gov.uk/web/guest/briefings-and-responses/-/journal_content/56/10180/5990046/ARTICLE. Oral evidence available to watch online at:

<http://www.parliamentlive.tv/Main/Player.aspx?meetingId=13786&st=17:08:25>

Prioritisation of Bills

21. We have in previous years successfully prioritised those Bills on which to focus our efforts and resources. It is suggested that this approach is undertaken again this year in, line with the corporate priorities for the coming year. This prioritisation will ensure that, by focusing our lobbying work on key pieces of legislation, the best results are achieved for member councils.
22. Those Bills suggested as high priority will be activity lobbied on by the Public Affairs team, supported by colleagues throughout the organisation. Medium priority bills will be kept on a watching brief and picked up as specific issues arise which we may want to brief on. Working with policy colleagues, the Public Affairs Team will consider each Bill on publication. If any Bill has a greater impact on councils than was expected it will be given a higher priority.
23. Based on an assessment of the implications of those Bills highlighted above, officers recommended the following system of prioritisation (based on the assumption that all Bills above are published within the Queen's Speech):

Priority		
High	Medium	Low
Deregulation Bill	Consumer Rights Bill	Childcare costs
Local Government Ombudsman Bill	Highways Agency Bill	
Parking	Modern Slavery Bill	
Fire Bill	Criminal Justice and Courts Bill	
	Wales Bill	
	Pensions Bill	

24. Following the publication of the Queen's Speech on 3 June, an updated version of this paper will return to the Leadership Board should there be any additional items of legislation, with relevance to local government, which require consideration.