

20 September 2024 Joshua Kell - [Jane Larner BusinessCrimeLinks](#)

The shape of things to come? Proposed regulatory legislation under the Labour government

The Labour government has now been in power for over a month and, after the summer, it will be pushing ahead with its legislative agenda. In the [King's Speech delivered on 17 July 2024](#), the government outlined proposals which promise substantial changes in regulatory practices and governance across different sectors. These range from changes to the regulation and operation of local and national transport networks, a shakeup of the planning system and the rental sector and a review of pension and employment rights, to the establishment of Great British Energy to accelerate investment in renewable energy such as offshore wind.

Below we take a quick look at some of the other proposals we will be watching, alongside those mentioned above. As the government's intentions and plans become clearer, we will report further on developments and consider how the proposals will impact our clients and their operations.

Ones to watch?

Two bills which we had been particularly anticipating and which were included in the King's Speech were the **Water (Special Measures) Bill** and the **Football Governance Bill**.

The **Water (Special Measures) Bill** is designed to strengthen the regulation of water companies, especially concerning environmental standards. It proposes severe penalties and personal criminal liability for water company executives found breaking the law. The bill also includes provisions for banning bonuses if environmental standards are unmet and requires real-time monitoring of sewage outlets. Measures in this bill are set to apply to both England and Wales.

The **Football Governance Bill** aims to provide greater protection to football clubs and ensure sustainable practices in England and Wales. A key feature of this bill is the establishment of an independent regulator tasked with monitoring and enforcing requirements related to financial regulation, club ownership, fan engagement and protection of club heritage. The bill also outlines stricter owners' and directors' tests, mandates regulatory approval for stadium sales or relocations, and bars clubs from participating in closed-shop or breakaway leagues, such as the controversial European Super League. Additionally, it calls for fair financial distribution between leagues and the establishment of a 'Football Club Corporate Governance Code'.

Developments still to come?

One area included in the Labour manifesto that didn't make it into the King's Speech was that of online safety. The manifesto set out that, if elected, a Labour government would build on the Online Safety Act, bringing forward provisions to keep everyone safe online, particularly when using social media. However, we can perhaps expect these developments to come further down the line.

Although not highlighted in the Labour manifesto, the **Draft Audit Reform and Corporate Governance Bill** had been anticipated in policy discussions, particularly across the audit sector. This did indeed make it into the King's Speech. This bill proposes the establishment of a revamped regulator, ARGA, replacing the current FRC. The transition to ARGA is expected to widen the regulatory remit, bringing the largest private companies under stricter oversight while easing rules for smaller PIEs. Additionally, it intends to enhance powers for investigating and sanctioning company directors for severe mismanagement and establish a new audit market oversight regime. However, it was not included in the initial 17 bills to be brought before Parliament, leaving the timescale a little uncertain.

Other bills of interest

There were a few other bills in the King's Speech which also caught our eye. The **Digital Information and Smart Data Bill** proposes revolutionary reforms in data sharing and standards. Notably, it aims to support secure digital identity products through Digital Verification Services and the development of a National Underground Asset Register. It also includes provisions to improve data sharing via Smart Data schemes and modernises the registration process for births and deaths. The bill envisages a strengthened Information Commissioner's Office (ICO) to better regulate the digital landscape and will extend and apply UK-wide.

Additionally, the **Product Safety and Metrology Bill** was included. This aims to fortify product regulations in response to modern technological advancements and market dynamics. It includes provisions for consumer protection, recognition of new business models and keeping up with updated EU product regulations for Northern Ireland. Additionally, it plans enhancements in compliance and enforcement mechanisms, reflecting the contemporary challenges of digital borders.

Finally, the King's Speech included the **Cyber Security and Resilience Bill**, which targets the UK's cyber defences by expanding current regulations and enhancing the role of regulators in securing digital services. It also aims to improve the reporting of cyber threats, enabling a comprehensive understanding of vulnerabilities and risks. Like the Digital Information and Smart Data Bill, this legislation will apply across the UK.

So, what next?

With an extensive legislative agenda, the Labour Party faces the challenge of time constraints and resource allocation. Many proposed bills are in the pipeline and the feasibility of accomplishing these initiatives within the given timeframe remains uncertain. If Labour can bring forward all of the bills set out in the King's Speech, we might see significant changes in UK regulation. As the government navigates through this extensive agenda, the coming months will be an interesting watch.