

National Assembly for Wales

Queen's Speech 2012 May 2012

The Queen's Speech 2012 took place on 9 May 2012.

It contained 19 Bills and draft Bills. Thirteen of these apply to Wales but do not relate to devolved areas. Two relate to areas where Wales has devolved powers. This paper provides information on each Bill.

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 23 May 2012 for this purpose.

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National Assembly for Wales

Queen's Speech 2012
May 2012

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1. Introduction

The Queen's Speech 2012 took place on 9 May 2012. It contained 19 Bills and draft Bills. **Thirteen of these apply to Wales but do not relate to devolved areas. Two relate to areas where Wales has devolved powers.**¹ This is the first Queen's Speech to have taken place since the National Assembly gained full legislative powers over the 20 subjects listed in Schedule 7 to the *Government of Wales Act 2006*.

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".² 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 23 May 2012** for this purpose.

Commenting on the Queen's Speech on 9 May, she stated:

The legislation we have proposed will continue to benefit the people of Wales as the Government focuses on reducing the deficit and restoring economic stability, reducing and preventing crime, proposing constitutional reforms, and modernising the pension system.

The Government is taking tough, long term decisions to benefit Wales and the United Kingdom. By doing so we can stimulate investment and economic growth, and build a society which is fair and rewards those who work hard and do the right thing. All of the Bills proposed today in the Queen's Speech, bar one have relevance to Wales and it is my aim to work with the Welsh Government to ensure we achieve the very best for Wales.³

The Cabinet Office Briefing on the Queen's Speech states in relation to Wales:

We are discussing with the Welsh Government the implications of our legislative programme for matters devolved to Wales. The UK Government is keen to work hand in hand with the Welsh Government on aspects of the programme which touch on devolved matters. There will be a need for some Legislative Consent Motions in the Assembly, and we will work with the Welsh Government to ensure it can support those motions.⁴

The contents of this paper are based on the limited information available on the day of the Queen's Speech and may change as discussions between Whitehall and the Welsh Government proceed and as Bills are introduced.

¹ Two of the Bills deal with European Treaty issues and two are England only.

² National Assembly for Wales, Standing Order 13.3

³ [Wales Office, Secretary of State for Wales welcomes the second legislative programme in HM Queen's Speech 9 May 2012, Press Release, 9 May 2012 \[accessed 10 May 2012\]](#)

⁴ Cabinet Office, [The Queen's Speech 2012 - background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

2. Bills and Draft Bills in devolved areas

2.1. *Children and Families Bill*

The *Children and Families Bill* will cover a number of different policy areas. The main elements of the Bill are:

- The introduction of changes to the law relating to **Adoption** in order to make considerations relating to race less important than finding a child a permanent home quickly. This is intended to cut the time ethnic minority children wait before they can be adopted.
- The setting of a six month deadline to complete cases relating to **family law**. The Bill will also introduce changes to ensure that children continue to have a relationship with both parents in instances where families break up, if it is in their best interests.
- The introduction of **flexible parenting leave**.
- The introduction of “more choice and control”⁵ to families over specialist **specific educational needs** care in England.
- The extension of the Children’s Commissioner in England’s powers to include the promotion and protection of children’s rights. The Bill will also enable the Commissioner to take on functions carried out by the Children’s Rights Director, which is currently part of Ofsted.

Provisions relating to special educational needs and the Office of the Children’s Commissioner will apply in **England only**.

Adoption provisions will apply to England, however the Cabinet Office’s briefing notes state that “**The Government will discuss with the Welsh Ministers whether it will be extended to Wales**”.⁶ A **legislative consent motion** on this provision is likely to be required given that the Assembly already has the power to legislate in relation to adoption, as set out by Subject 15: Social Welfare of Schedule 7 to the *Government of Wales Act 2006*:⁷

Social welfare including social services. Protection and well-being of children (including **adoption and fostering [RS emphasis]**). Care of young adults, vulnerable persons and older persons, including care standards. Badges for display on motor vehicles used by disabled persons.⁸

According to the Cabinet Office’s briefing note the Bill’s “Private and Public Family law provisions will apply to **England and Wales**”.⁹

⁵ Cabinet Office, [The Queen’s Speech 2012 – background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

⁶ Cabinet Office, [The Queen’s Speech 2012 – background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

⁷ [Government of Wales Act 2006](#) (Chapter 32)

⁸ Ibid, Schedule 7

⁹ Cabinet Office, [The Queen’s Speech 2012 – background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

Flexible parental leave will apply to **England, Scotland and Wales** but not in Northern Ireland where flexible working is devolved.

2.2. *Draft Water Bill*

The draft Bill is intended to allow businesses and public sector bodies to obtain more competitive prices and improve their efficiency, as set out in the Water White Paper, [*Water for Life*](#)¹⁰.

The UK Government argue that the main benefits of the Bill would be:

- allowing every business and public sector body to switch its water and sewerage supplier.
- Increasing opportunities for new entrants to enter the water and sewerage market and create an environment in which water companies respond better to the needs of the customers.
- Stimulating the market for water resources potentially unlocking new sources of water supply and reducing the impacts of future drought.
- Encouraging water companies to think differently about how to address future resource challenges and focus on their customers' needs.

The main elements of the draft Bill are:

- Implementing a package of water and sewerage market reforms.
- Improving Ofwat's ability to regulate water companies as competition develops in the market.
- Allowing the scope of the environmental permitting regulations to be extended from prevention of pollution to include abstraction and impounding of water. This extension will also cover flood defence and fish pass consents.
- Making minor changes to existing legislation to reduce and simplify regulatory and administrative burdens.¹¹

¹⁰ DEFRA, [*Water for Life*](#), Cm 8230, December 2011 [accessed 10 May 2012]

¹¹ Cabinet Office, [*The Queen's Speech 2012 - background briefing notes*](#), 9 May 2012 [accessed 10 May 2012]

The UK Government states that the reforms will mainly apply to **England and Wales** but will also allow for a joint water and sewerage retail market with Scotland. However, “Water and flood defence” is one of the 20 subjects where the National Assembly for Wales has legislative competence under Schedule 7 of the *Government of Wales Act 2006*, with some exceptions.

Water and flood defence

19 Water supply, water resources management (including reservoirs), water quality and representation of consumers of water and sewerage services. Flood risk management and coastal protection.

Exceptions—

Appointment and regulation of any water undertaker whose area is not wholly or mainly in Wales.

Licensing and regulation of any licensed water supplier within the meaning of the Water Industry Act 1991 (c. 56), apart from regulation in relation to licensed activities using the supply system of a water undertaker whose area is wholly or mainly in Wales.¹²

It seems likely that the legislative consent of the National Assembly would be required if the eventual Bill contains provisions relating to, for example, impoundment and abstraction in Wales.

The Welsh Government has a [Memorandum of Understanding](#) with the Water Services Regulatory Authority (OFWAT) which is required by section 52(4) of the *Water Act 2003*, to secure effective working arrangements between the parties

¹² [Government of Wales Act 2006](#) (Chapter 32)

3. Bills in non-devolved areas

3.1. *Enterprise and Regulatory Reform Bill*

A wide-ranging Bill covering competition, employment disputes, director's pay and regulatory reform. It will create a **single Competition and Markets Authority** by merging the Competition Commission and the Office of Fair Trading to strengthen leadership on competition enforcement.

A **Green Investment Bank** will be established to promote private sector investment in a greener economy.¹³

It will reform the employment tribunal system by providing more options for the early resolution of disputes through Acas.

On Director's pay, shareholders will be allowed a binding vote on the remuneration of directors. The Primary Authority scheme, where businesses which operate across a number of councils can form a partnership with a single authority who will then offer advice, will be extended to more businesses. This Bill will apply to the **whole of the UK**, with some parts relevant to England, Scotland and **Wales** only.

3.2. *Banking Reform Bill*

The Bill is intended to foster financial stability and a more resilient banking sector. It will ensure that banks which want to provide retail banking services will only be able to do so if these services are **ring-fenced from the investment activities of the bank**. It is intended to reduce the risk to the taxpayer of a bank going bust by making sure those who have money deposited in bank accounts are given priority over other creditors. This Bill will apply to the **whole of the UK**.

3.3. *Groceries Adjudicator Bill*

The Bill will establish a **Groceries Code Adjudicator** to enforce the **Groceries Code**. This aims to ensure that the largest retailers, such as the big name supermarkets, treat their suppliers fairly. This will be a **UK wide Bill**. A **draft Bill**¹⁴ has already undergone pre-legislative scrutiny by the [House of Commons Business, Innovation and Skills Committee](#).

The main elements of the Bill are:

¹³ The Green Investment Bank is to promote private sector investment in a greener economy. It is possible that some provisions could fall under the Economic Development legislative competence of the National Assembly for Wales.

¹⁴ [HM Government, Draft Groceries Code Adjudicator Bill, Cm.8080, May 2011 \[accessed 10 May 2012\]](#)

- Creating an Adjudicator, as set out in the draft Bill. The Adjudicator's role would be to ensure adherence to the Groceries Code. He or she would do this by arbitrating disputes between retailers and suppliers, investigating anonymous complaints and taking sanctions against retailers who break the rules.
- The Groceries Code which the Adjudicator would be responsible for upholding was put in place by the Competition Commission. It obliges large retailers (those with a groceries turnover in the UK of more than £1 billion) to: deal fairly and lawfully with their suppliers; not vary supply agreements retrospectively, except in circumstances beyond the retailer's control which are clearly set out in the supply agreement; and pay suppliers within a reasonable time.
- In addition, the Groceries Code limits large retailers' power to: make suppliers change their supply chain procedures or pay marketing costs and compensation for wastage; make suppliers obtain goods or services from third parties who pay the retailer for that arrangement; make suppliers pay them for stocking their products or pay for promotions; make suppliers pay for resolving customer complaints; and "de-list" suppliers – in other words, to stop dealing with a supplier or make significant reductions to the volume of purchases from a supplier.¹⁵

The First Reading of [the Bill](#) took place in the House of Lords on 11 May 2012.¹⁶ The Second Reading is due to take place on the 22 May 2012.

3.4. *Small Donations Bill*

Provides a new system of top-up payments similar to Gift Aid for **small cash donations to charities**. For donations of less than £20, charities will be able to claim back 25p for every £1 collected in the UK, up to a limit of £5,000. This Bill will apply to the **whole of the UK**.¹⁷

3.5. *Energy Bill*

The Bill is intended to reform the **electricity market** to enable large-scale investment in **low-carbon generation capacity** in the UK and deliver security of supply, in a cost-effective way.

The main elements of the Bill are:

¹⁵ Cabinet Office, [The Queen's Speech 2012 – background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

¹⁶ [Groceries Code Adjudicator Bill \[HL\] 2012-13](#) [accessed 11 May 2012]

¹⁷ Cabinet Office, [The Queen's Speech 2012 – background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

- Introducing a system of low-carbon generation revenue support (a feed-in tariff with Contracts for Difference (FiT-CfD). The UK Government argues that FiT-CfD would provide more certainty of revenues for low-carbon generation and make investment in clean energy more attractive.
- Introducing an Emissions Performance Standard (EPS) to provide a regulatory backstop to prevent construction of new coal plants which emit more than 450g/kWh i.e. the most carbon-intensive form of electricity generation.¹⁸
- Introducing a capacity mechanism to ensure security of supply.
- Creating an independent, industry financed statutory regulator, the **Office for Nuclear Regulation**.
- Enabling the sale of a Ministry of Defence asset, the Government Pipeline and Storage System (GPSS).
- Introducing a Strategy and Policy Statement which would set out the UK Government's strategic priorities for the energy sector in Great Britain, describe the roles and responsibilities of bodies who implement or are affected by GB energy policy and describe policy outcomes which are to be achieved by the regulator and the Secretary of State when regulating the sector.¹⁹

All provisions in the Bill extend to **England** and **Wales**, and the majority would also extend to **Scotland** and **Northern** Ireland.

3.6. Pensions Bill

This Bill brings forward the state pension age to 67 between 2026 and 2028 and reforms the state pension. This legislation will be for **England, Scotland and Wales** only.²⁰

3.7. Public Service Pensions Bill

The Bill implements reforms to public sector pensions. It moves public sector pensions over to a career average scheme and extends the age at which members can draw their pensions. The UK Government argues that this will make them sustainable, with costs shared between employers, workers and taxpayers 'more fairly'. This legislation will be for **England, Scotland and Wales** only.

¹⁸ Depending on the provisions it is possible that restrictions on the emissions of new coal plants may fall under the environment legislative competence of the National Assembly for Wales.

¹⁹ Cabinet Office, [The Queen's Speech 2012 - background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

²⁰ Cabinet Office, [The Queen's Speech 2012 - background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

3.8. *Electoral Registration and Administration Bill*

The Bill introduces a new **requirement on voters to register individually** instead of the current practice of registering by household.

It aims to make Individual Electoral Registration a requirement for any new registrations from 2014 onwards. After December 2015 everyone on the electoral register would be registered under the new system.

The UK Government's original proposals relating to electoral registration were first set out in a [White paper and draft Bill](#) published on 30 June 2011. The proposals were also subject to an inquiry by the House of Commons' Political and Constitutional Reform Committee who published a report, entitled [Individual Electoral Registration and Electoral Administration](#), on 27 October 2011.

The Bill will apply to **England, Scotland and Wales**.

The [Bill](#) received its First Reading in the House of Commons on 10 May.²¹

3.9. *House of Lords Reform Bill*

This Bill aims to change the composition of the House of Lords by ensuring that **most members of the UK Parliament's second chamber are elected**. According to the Cabinet Office's briefing note the Bill will also ensure that "the reformed House of Lords reflects society better than it does now by having Members elected **according to the regions and the nations of the UK** [*RS emphasis*]"²²

The introduction of the Bill will follow the publication of the [House of Lords Reform Draft Bill](#) by the Cabinet Office on 17 May 2011.²³ A [joint committee on the Bill published a report](#) on the content of the Bill on 23 April 2012. That committee was not unanimous in its views however, as twelve of its members signed up to additional recommendations produced in an [alternative report](#).

The Bill will apply to the **whole of the UK**.

²¹ [Electoral Registration and Administration Bill 2012-2013 \[accessed 11 May 2012\]](#)

²² Cabinet Office, [The Queen's Speech 2012 - background briefing notes](#), 9 May 2012 [accessed 10 May 2012]

²³ For further information see National Assembly for Wales Research Service, *Research Service: Wales and the reform of the House of Lords*, May 2012

3.10. *Crime and Courts Bill*

This Bill covers a range of different issues relating to the criminal justice system. These include:

- Establishing a **National Crime Agency** to deal with serious, organised and complex crime, enhance border security, and tackle the sexual abuse and exploitation of children and cyber-crime.
- Establishing a **Single County Court system** and **Single Family Court** to allow greater flexibility for the handling of cases to increase efficiency of the civil and family court systems in England and Wales.
- Reforming the judicial appointments process with the aim of having **greater transparency in the judicial appointments process and improve judicial diversity**.
- Enabling the introduction, in limited circumstances, of **court broadcasting**.
- Introducing a **new offence of driving, or being in charge of, a motor vehicle with concentrations of specified controlled substances** in excess of specified levels.

The inclusion of this provision is as a result of a campaign launched by the [Croydon Advertiser](#) and the family of Lillian Groves who was killed in 2010 by a driver who had been smoking cannabis.²⁴

The Bill mostly applies to the **whole of the UK** with a few exceptions as it “relates to a mix of transferred and non-transferred matters”.²⁵

The [Bill](#) received its First Reading in the House of Lords on 10 May 2011 and is due to have its Second Reading on 28 May 2012.²⁶

3.11. *Defamation Bill*

This Bill will introduce changes to defamation law. The Bill’s provisions include introducing a requirement that a statement must have caused “serious harm” for it to be defamatory in order to discourage trivial claims.

The Bill follows the publication of a [draft Defamation Bill](#) by the Ministry of Justice in March 2011. The draft Bill has been subject to pre-legislative scrutiny by a joint committee of both Houses of Parliament, which [reported](#) its findings and recommendations on 12 October 2012.

The Bill will apply only to **England and Wales**.

²⁴ HoldTheFrontPage, [Weekly’s drug-driving law could be in Queen’s Speech](#), 23 January 2012

²⁵ Cabinet Office, [The Queen’s Speech 2012 – background briefing notes](#), 9 May 2012

²⁶ [Crime and Courts Bill 2012-2013\[HL\]](#) [accessed 11 May 2012]

The [Bill](#) received its First Reading in the House of Commons on the 10 May 2012.²⁷

3.12. Justice and Security Bill

The Bill aims to strengthen parliamentary oversight of the UK's security and intelligence agencies. It will also provide for courts to hear a greater range of evidence in national security cases, through limited use of closed proceedings. The Bill follows a [Green Paper](#) issued by the Ministry of Justice in November 2011.

The Bill will apply to **all UK jurisdictions** (England and Wales, Northern Ireland and Scotland).

3.13. European Union (Approval of Treaty Amendment Decision) Bill

This Bill provides for the parliamentary approval of a change to the [Treaty on the Functioning of the European Union](#), which allows for Eurozone countries to set up a permanent European Stability Mechanism, which supports Eurozone countries in trouble.

The Bill will apply to the **whole of the UK**.

The [Bill](#) received its First Reading in the House of Lords on 10 May 2012. The Second Reading is due to take place on 23 May 2012.²⁸

3.14. Croatia Accession Bill

This Bill provides for the parliamentary approval of the [Croatia Accession Treaty](#). Its main objectives are to confirm the UK Government's support for further enlargement of the EU and to control immigration from Croatia following its accession.

The Bill will apply to the **whole of the UK**.

²⁷ [Defamation Bill 2012-2013 \[accessed 11 May 2012\]](#)

²⁸ [European Union \(Approval of Treaty Amendment Decision\) Bill \[HL\] 2012-13 \[accessed 11 May 2012\]](#)

4. Draft Bills

4.1. *Draft Local Audit Bill*

This Bill abolishes the Audit Commission and sets out new arrangements for the audit of local public bodies in **England**.

4.2. *Draft Care and Support Bill*

The Draft Bill is about:

- Changing the legal framework for care and support.
- Responding to the recommendations of the Law Commission, which conducted a three-year review into social care law.
- Establishing Health Education England as a non-departmental public body.
- Establishing the Health Research Authority as a non-departmental public body.
- Creating a London Health Improvement Board.

This Draft Bill only applies to **England**.

4.3. *Draft Communications Data Bill*

The main elements of the Draft Bill are:

- Establishing an **updated framework for the collection and retention of communications data by communication service providers (CSPs)** to ensure communications data remains available to law enforcement and other authorised public authorities.
- Establishing an updated framework to facilitate the lawful, efficient and effective obtaining of communications data by authorised public authorities including law enforcement and intelligence agencies.
- **Establishing strict safeguards** including: a 12 month limit of the length of time for which communications data may be retained by CSPs and measures to protect the data from unauthorised access or disclosure. (It will continue to be the role of the Information Commissioner to keep under review the operation of the provisions relating to the security of retained communications data and their destruction at the end of the 12 month retention period).
- Providing for **appropriate independent oversight** including: extending the role of the Interception of Communications Commissioner to oversee the collection of communications data by communications service providers;

providing a communications service provider with the ability to consult an independent Government / Industry body (the Technical Advisory Board) to consider the impact of obligations placed upon them; extending the role of the independent Investigatory Powers Tribunal (made up of senior judicial figures) to ensure that individuals have a proper avenue of complaint and independent investigation if they think the powers have been used unlawfully.

The draft Bill applies to **the whole of the UK**.