

Committee(s): Communications and Corporate Affairs (Policy & Resources) Committee – For information	Dated: 14/02/2023
Subject: Parliamentary Team Update	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	6,7,8,9,11
Does this proposal require extra revenue and/or capital spending?	N/A
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Paul Double, City Remembrancer	For Discussion
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Summary

This summary updates Members on the main elements of the Parliamentary Team’s previous and planned activity in support of the City of London Corporation’s political and parliamentary engagement since the last formal update to the subcommittee on 12 December 2022.

Recommendation(s)

Members are recommended to note the report.

Main Report

Legislative Programme Update

1. The return of Parliament following the Christmas recess has seen the Government progress a number of major Bills, such as the **Financial Services and Markets Bill**, **Online Safety Bill**, **Levelling-up and Regeneration Bill** and **Economic Crime and Corporate Transparency Bill**. However, as the parliamentary session enters its tenth month, indications are that a number of measures announced in the late Queen’s Speech will not be progressed. The proposed **Transport Bill** due this session was dropped in October, and other measures such as the **Data Protection and Digital Information Bill** have not made progress. The future of other legislation, such as the **Bill of Rights Bill** also remain uncertain. The commentary below provides an update on relevant Bills which have been considered before either House since the last update in December. Other Bills in which the City is interested but await further consideration are noted subsequently.
2. **Financial Services and Markets Bill** - The Financial Services and Markets Bill is making progress through the House of Lords, having completed it Commons

stages. The Office has engaged on the Bill in both Houses. There has been extensive collaboration with financial services trade bodies to promote sectoral views. The Bill has received a generally positive response in the upper House, with Labour spokesperson Lord Tunnicliffe describing the legislation as having “successfully struck a difficult balance between protecting financial stability and unlocking the potential of the sector to boost the UK’s growth and international competitiveness.” Indications are that the Bill will not face any significant opposition during the remainder of its passage.

3. **Online Safety Bill** – Culture Secretary Michelle Donelan’s announcement of amendments to the Online Safety Bill to assuage Conservative backbench concerns about its impact on freedom of speech (as reported in the December update) has allowed the Bill to progress to the House of Lords. The Bill was recommitted to a Committee in the Commons to allow such changes to take place, before completing its Commons stages. Such changes prompted concerns from MPs that provisions protecting children online had been weakened. As such, the Government has committed to introduce an amendment to establish senior management liability where senior managers have conspired or connived to ignore enforceable requirements, risking serious harm to children. While this amendment is unlikely to impact the City’s main interest in the Bill (provisions relating to online fraud), the Office will monitor for any calls for an expansion of senior management liability to include other priority offences, including fraud and financial crime.
4. **Economic Crime and Transparency Bill** – The Bill has continued its swift progress and has received its Second Reading in the House of Lords. The legislation has received wide support, with dissent generally focusing on the need for the Government to do more to tackle economic crime. Consequently, Security Minister Tom Tugendhat announced the Government’s intention to bring forward a “failure to prevent” economic crime offence for businesses in the upper House. This measure is likely to receive widespread support, and is aligned with City of London Police messaging in support of the Bill and wider steps to tackle economic crime. The Office will consult with City Police and Police Authority Board colleagues on its response to the Government’s announcement and engagement on these new provisions.
5. **Levelling-up and Regeneration Bill** – In its progress through the Lords, Peers repeated the themes of discussions in the Commons. The Minister confirmed that levelling up “Missions” (the target by which levelling up will be gauged across the country) will be settled outside the framework of the Bill. It should be noted that much of the Government’s “levelling up agenda” falls outside the scope of the Bill. Speaking to provisions contained in the Bill, the Minister confirmed proposals to digitise the public interface with the local planning process and gave assurances that environmental protections would not be “eroded” under the Bill. The Bill awaits Committee Stage in late February.
6. **Procurement Bill** – The Bill is intended to make public procurement more accessible for new entrants, enabling them to compete for public contracts. It retains the core of the EU procurement regime, and encourages contracts with SMEs and social enterprises. Drafting aspects in respect to the City are

currently being considered. The Bill will also ultimately repeal and replace the vast majority of the not yet passed **Trade (Australia and New Zealand) Bill**, which implements changes to procurement law to facilitate the coming into force of free trade agreements with Australia and New Zealand. The latter Bill is still being pursued as it is likely to reach the statute book first.

7. **National Security Bill** – The Bill, which replaces existing counter-espionage laws with a framework for countering hostile state activity, faced resistance regarding provisions introducing a foreign influence registration scheme and the potential impacts of this on business. The Bill places requirements for the registration with the Home Office on a public register of any “political influence activities” by or on behalf of a “foreign principal.” In the Lords, the Minister said the Government was reviewing feedback from industry on the scheme, with indications the provisions may be amended. The Office is actively monitoring any amendments to these provisions and trade body responses to any changes.
8. **Retained EU Law (Revocation and Reform) Bill** – The Bill is currently awaiting Second Reading in the House of Lords, where it is expected to face fierce criticism from across the House for its “sunset” provisions, which will automatically revoke any Retained EU Law (REUL) that is not expressly preserved by 31 December 2023. Concerns have been expressed about the capacity of the Civil Service to sufficiently examine or even identify all REUL ahead of the deadline, which has been described as “arbitrary.” This reflects concerns expressed in the Commons, though the lack of a Government majority in the Lords means it is likely to face stiffer opposition in the upper House. The Corporation’s evidence to the Public Bill Committee, mirroring many other business sources, highlighted these timescale concerns, and in particular the potential risks this may pose to business. Such risks include creating an uncertain regulatory landscape, making it harder for businesses to plan ahead and make investment decisions, as well as resource implications and the risk of unintended consequences if regulation fall away in an uncoordinated manner. The Bill is being actively monitored to ensure that the Corporation is fully briefed on its implications for the rule of law and the functioning of the UK-EU relationship. The Office is in close contact with other financial and professional services bodies, including the Law Society and TheCityUK, regarding their approach to the Bill.
9. **Public Order Bill** – The Government was defeated on two amendments to the Bill in Report Stage in the House of Lords in late January. The Bill aims to address the use of new protest tactics by establishing new criminal offences, including those of “locking-on” and “going equipped to lock-on”. These new offences are of interest to the City of London Police, given the prevalence of protests within the Square Mile. The Bill has attracted controversy in both Houses due to its perceived impact on the right to protest, and the Government defeats are likely to cause a tense period of “ping pong” between the two Houses. The Bill has been reported to the Police Authority Board and the Board will continue to receive updates on its progress.

10. **Bill of Rights Bill** – Despite comments in November from Lord Chancellor and Secretary of State for Justice Dominic Raab that the Bill was one of his “legislative priorities,” it still awaits a date for Second Reading in the Commons. The controversial Bill has been criticised by legal professional bodies and Parliament’s Joint Committee on Human Rights calling for the Government not to proceed with it. While the long delay to Second Reading may indicate that the Bill is unlikely to progress in its current form, wider pressure within the Conservative Party to leave the jurisdiction of the European Court of Human Rights remains.
11. **Electronic Trade Documents Bill** – The Law Commission proposed Bill to reform rules around certain types of documents used in trade and trade finance is undergoing a special procedure in the House of Lords for Bills of a technical nature. The Bill considers trade documents which function on their ability to be (physically) possessed. Currently, the law does not recognise the possibility of “possessing” electronic documents, with the Bill seeking to update this, and a number of other technical points of trade law.
12. **Strikes (Minimum Service Levels) Bill** – The Government’s Bill to introduce minimum service levels for certain services during strikes cleared the Commons quickly, despite vociferous opposition from Labour. Awaiting Second Reading in the Lords, the Bill is likely to face further challenges on civil liberties grounds.
13. Bills of note which have not made progress since the last update include the **Data Protection and Digital Information Bill, Social Housing (Regulation) Bill**, and the **Northern Ireland Protocol Bill**.

City Corporation Private Legislation

14. The City of London (Markets) Bill received its First Reading in the House of Commons on 30 January and at the time of this report’s submission, the Bill awaits its formal Second Reading on 6 February, the result of which will be reported at the meeting of the Sub Committee.

Forward Look

15. Chancellor Jeremy Hunt will give his first formal Budget on 15 March. As usual the Office, in collaboration with other departments, will monitor the announcement and issue a Public Policy Bulletin to members shortly afterwards.
16. The Office will continue to engage with parliamentarians through the final stages of the passage of the Financial Services and Markets Bill. Peers were appreciative of briefing material issued during initial stages in the House of Lords, with many reflecting City messaging in their speeches. The Office will also continue its wider engagement on financial services priorities, including consulting with the APPG for Financial Markets and Services on its upcoming programme of events.

17. In coming months, the Office will seek to implement the new plan for political engagement for the Policy Chairman, created in collaboration with the Corporate Affairs team. Both teams are in consultation with the Policy Chairman's office to facilitate the scheduling of meetings with priority targets for engagement.
18. The Office will consider further engagement with Liberal Democrat parliamentarians following a successful meeting between the Police Authority Board Chair and Sarah Olney MP to discuss the work of Action Fraud and wider policing priorities, following written parliamentary questions on the matter. Olney, who is also the Liberal Democrat's Treasury Spokesperson, also heard from AC Pete O'Doherty of the City of London Police during his oral evidence to the Public Accounts Committee in December 2022.
19. Work continues on a proposed visit by parliamentarians from the APPG for Theatre to the Guildhall School of Music and Drama and the Barbican Centre, to promote the Corporation's contribution to culture. In line with the interests of the APPG's Chair, former actor Giles Watling MP, the visit will include a visit to the School's Production Arts courses.
20. Following the attendance of the Vice-Chair of Policy and Resources, Tijs Broeke, at the launch of a guide for MPs on sustainable finance organised by the APPG on Sustainable Finance, the Office will explore opportunities for further collaboration with the APPG.
21. A report was put before the Civic Affairs Sub-Committee proposing a reception for Parliamentary Researchers on 28 February. The proposed event would provide an opportunity to strengthen relationships with researchers from across both Houses and update them on the work of the City Corporation and its policy priorities.
22. The Office has facilitated the hosting of a panel discussion and early evening reception on 21 March for the Standing International Forum of Commercial Courts. The Corporation has supported SiFOCC and its work from its inception. The forum supports best practice in commercial dispute resolution around the world, and the Rule of Law. Its current focus includes managing complexity in disputes, technology, cross border conflicts, and the commercial disputes that climate change will bring. SiFoCC boasts a large membership, with the majority of the judiciaries of the G20 nations now members, including India, China, Brazil, Japan and South Korea.
23. The Office will explore opportunities for parliamentary promotion of the work of the Livery in supporting education and skills. Officers met with John Taylor, Chairman of the Livery Companies Skills Council, to discuss a number of Livery skills initiatives and opportunities for engagement.
24. The Office will continue its long-term engagement to improve air quality in the City, with particular focus on plant emissions and fine particulate matter. The Office recently briefed Co-President of London Councils Lord Tope ahead of a debate on regulations which set long-term targets for fine particulate matter. In

the debate, Lord Tope referenced his 2019 Emissions Reduction (Local Authorities in London) Private Members' Bill which the Corporation drafted with London Councils, and his amendments to the Environment Bill which followed.

25. Further consideration will also be given to parliamentary promotion of the Skills for a Sustainable Skyline Taskforce and Progress Together initiatives -over following months.

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