

<b>Committee(s):</b> Communications and Corporate Affairs (Policy & Resources) Committee – For Discussion	<b>Dated:</b> 28/02/2024
<b>Subject:</b> Parliamentary Team Update	<b>Public</b>
<b>Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?</b>	6,7,8,9,11
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N/A</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain’s Department?</b>	<b>N/A</b>
<b>Report of:</b> Paul Wright, City Remembrancer	<b>For Discussion</b>
<b>Report author:</b> William Stark, Senior Parliamentary Engagement Officer	

### 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 15<sup>th</sup> November 2023.

### Recommendation(s)

Members are recommended to note the report.

### Main Report

#### Legislative Programme Update

1. The November 2023 King’s Speech, delivered shortly before the last meeting of this sub-committee, presented a smaller legislative agenda than that of the previous session. The number of proposed Bills in the Speech recognised the limited parliamentary sitting time before a dissolution. When an election is called, the Government has a limited period in which to “wash up” and pass Bills. Those not passed will fall.
2. As well as the Bills announced at the King’s Speech, the Government has introduced legislation to respond to topical events and other policy priorities, including the **Post Office (Horizon System) Compensation Act 2024**, which passed all its substantive stages in a month, and the **Safety of Rwanda (Asylum and Immigration) Bill**, in response to the Supreme Court’s November 2023 ruling. While of limited direct relevance to the City Corporation’s interests, debate and legislation on these topics have impacted parliamentary time available for other priorities.

3. Conversely, the King's Speech did not contain some measures that were expected. A pension reform Bill was absent, leading to discussion in the press as to whether this would impede the implementation of the Mansion House reforms. In January the City Minister indicated in the Work and Pensions Committee that a pensions Bill would be brought forward "when parliamentary time allows" following a question on defined benefit pension superfunds. Similarly, a Bill on audit reform, referenced in the 2022 Queen's Speech, was not present.
4. The below summary provides an update on current Bills of relevance to the City Corporation, further to a note on the King's Speech shared with members of the subcommittee at its last meeting.
5. **Criminal Justice Bill** – The Bill introduces a range of new powers for the police, such as the ability to confiscate bladed articles on private property, and creates new offences such as criminalising the taking of intimate images without consent. The City's main interest in the Bill are provisions relating to economic crime, will prohibit the possession and supply of SIM farms (defined as devices that can make calls and texts and hold more than 4 SIM cards at one time) that have no legitimate purpose. The City Police are very supportive of this measure and have undertaken several operations where SIM farms have been used to conduct scams. The Bill has made good progress and awaits Report Stage in the Commons, its first House. The Bill was reported to the Police Authority Board in early February, alongside other measures relevant to the City Police.
6. **Economic Activity of Public Bodies (Overseas Matters) Bill** - This is a carry-over Bill from the last session. The Bill fulfils the commitment in the 2019 Conservative manifesto to ban public bodies from imposing their own direct or indirect boycotts, divestment or sanctions campaigns against foreign countries. The Bill is cast in terms of preventing regard to territory-specific considerations if political or moral disapproval of overseas public authorities would be signalled as a result as regards certain economic decisions. Those economic decisions are "procurement decisions" (decisions about a contract for the supply of goods, services or works to the decision-maker) and "investment decisions". Investment decisions are defined as decisions about (a) the acquisition by the decision-maker of an asset wholly or principally for purposes of investment, or, (b) the management, retention or disposal by the decision-maker of an asset held wholly or principally for such purposes. The Remembrancer submitted evidence at Committee Stage in the House of Commons as regards the definition of public body and the meaning of an "investment" decision in terms of what decisions are in the scope of the Bill. The Bill awaits Second Reading in the House of Lords and the Remembrancer will be considering whether to make any further submission for Second Reading or Committee Stage in the Lords.
7. **Pedicabs (London) Bill** – Building on a campaign by City MP Nickie Aiken, this government Bill introduces controls on pedicabs in London. The Bill gives TFL powers to regulate pedicabs and provides that ministers may issue guidance to TFL on how to regulate. The Bill applies only to pedicabs operating within the TFL area.

8. **Trade (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) Bill** – A technical Bill to facilitate UK accession to CPTPP is making swift progress through parliament and is likely to receive Royal Assent before the next meeting of this committee.
9. **Victims and Prisoners Bill** - The Bill, which was carried over from the previous session, places the key principles of the Victims' Code in primary legislation and sets out the minimum level of service victims can expect from criminal justice agencies, among other related measures. The Bill is at Committee Stage in the House of Lords, its second House.
10. **Freehold and Leasehold Reform Bill** - This large Bill is currently in its first House, the House of Commons, and will have its Report and Third Reading stage in late February. It is primarily of interest to the Corporation in its role as a local authority and as a freehold owner (in its private capacity). Part of the Bill is aimed at empowering leaseholders by making it cheaper and easier for existing leaseholders in houses and flats to extend their lease or buy their freehold, increasing the standard lease extension term from 90 years to 990 years for both houses and flats, with ground rent reduced to a peppercorn, removing the requirement for a new leaseholder to have owned their house for two years before they can extend their lease or buy their freehold and for flats before they can extend their lease and increasing the 25 per cent 'non-residential' limit preventing leaseholders in buildings with a mixture of homes and other uses such as shops and offices, from buying their freehold or taking over management of their buildings - to allow leaseholders in buildings with up to 50 per cent non-residential floorspace to buy their freehold or take over its management. The Bill also has provisions that improve leaseholder consumer rights, such as requiring greater transparency regarding leaseholders' service charges so that all leaseholders receive minimum key financial and non-financial information on a regular basis, including introducing a standardised service charge demand form and an annual report, so that leaseholders can scrutinise and better challenge costs if they are considered unreasonable, replacing buildings insurance commissions for managing agents, landlords and freeholders with transparent administration fees, scrapping the presumption for leaseholders to pay their landlords' legal costs when challenging poor practice and granting freehold homeowners on private and mixed tenure estates the same rights of redress as leaseholders – by extending equivalent rights to transparency over their estate charges and to challenge the charges they pay by taking a case to a Tribunal. The Bill has been flagged to relevant Children and Community Services colleagues: the Remembrancer has also engaged with DHLUC, the relevant Government Department for this Bill, to ensure that reference in the Bill to the Common Council appropriately catch it only in its role as a local authority and housing authority.
11. **Arbitration Bill** - The Bill makes technical changes to the Arbitration Act 1996, including providing clarity that the law governing an arbitration “will, unless the parties agree otherwise, be the law of the seat of arbitration” as well as introducing a “statutory duty on arbitrators to disclose circumstances that might reasonably give rise to justifiable doubts as to their impartiality.” A technical Bill

proposed by the Law Commission, the Bill commanded wide support in the Lords at Second Reading Committee (a special procedure for non-controversial Law Commission-initiated Bills where debate on Second Reading takes place away from the main chamber). It awaits its formal Committee stage.

12. **Renters (Reform) Bill** - This large Bill is currently in its first House, the House of Commons, and it has completed Committee Stage. The individual policies in the Bill include the abolition of 'no fault' evictions and fixed term tenancies, mandating that landlords must provide a written statement of terms setting out basic information about the tenancy and both parties' responsibilities while retaining both parties' right to agree and adapt terms to meet their needs, reforms the grounds for possession with the intention of ensuring they are comprehensive, fair, and efficient and requires landlords not to unreasonably withhold consent when a tenant requests to have a pet in their home, with the tenant able to challenge a decision. It also enables the government to approve or designate one or more redress schemes which all private landlords who rent out property on an assured or regulated tenancy in England will be required to join, regardless of whether they use an agent. It is worth noting that clause 18 of the Bill makes consequential amendments relating to accommodation for homeless people/duties of local authority by amending Part 7 of the Housing Act 1996 to reflect the repeal of fixed term tenancies and the removal of no fault evictions. It does this by amending sections 193B and 193C of the Housing Act 1996 deal with what happens when a person, who is owed either the prevention or relief duty, deliberately and unreasonably fails to cooperate with the local housing authority. The Bill was flagged to relevant officers in Children's and Community Service but it is not of direct concern to the Corporation as it primarily concerns reforms for private renters. However, the Remembrancer has engaged with DHLUC, the relevant Government Department for this Bill, to ensure that reference in the Bill to the Common Council appropriately catches it only in its role as a local authority and housing authority.
13. **Automated Vehicles Bill** -The Bill awaits Third Reading in its first House, the House of Lords. The Bill will provide the framework for the safe deployment of self-driving vehicles and deliver one of the world's most comprehensive legal frameworks for self-driving vehicles, with safety at its core. Under the Bill, local authorities will be required to send the legal orders they make (for example, to set speed limits, close roads and designate parking bays) to a central publication platform. This data will be used to create a digital map of the road network to support the safe operation of self-driving vehicles. The Bill will therefore impose some new duties on the Corporation in its role as a local authority and will be flagged to relevant officers in the Environment Department in due course.
14. Two carried-over Bills, the **Digital Markets, Competition and Consumers Bill** and the **Data Protection and Digital Information (No.2) Bill** have also made progress, with both at Committee Stage in the House of Lords.
15. Amongst Private Members' Bills of relevance to the City, Julie Elliott's (Lab) **Building Societies Act 1986 (Amendment) Bill**, shows promise that it may progress, with Committee Stage taking place in early February. The Bill would

enable building societies to raise more funds from sources other than member savings and bring some administrative rules in line with those which apply to banks. The Bill largely mirrors proposals the Government consulted on during 2022 and has been welcomed by the industry, including Nationwide and the Building Societies Association. Another measure, proposed by former pensions Minister Baroness Altmann (Con), the **Alternative Investment Fund Designation Bill**, would amend the Alternative Investment Fund Managers Regulations 2013 to remove Listed Investment Companies from Alternative Investment Fund designation. However, the Bill does not show signs of progressing and is without a date for Second Reading, despite Altmann asking a question on the Bill in the House in February.

### **City Corporation Private Legislation**

16. The **City of London (Markets) Bill** received its Second Reading on 6 February 2023 without debate, and was subsequently carried over into the current parliamentary session. The London Borough of Havering lodged a petition objecting to any retail trade at the new site and contending the new market infringes their market rights. Negotiations have been protracted. Resolution by agreement consistent with the City's need to retain flexibility in the way the site operates is still being sought but may not ultimately be possible in which case the petition will have to be decided by a parliamentary bill committee. Parliament has a discretion to carry over a Bill into the next Parliamentary session where appropriate.

### **Forward Look and Engagement Update**

17. In December, following consultation with the Chair and Deputy Chair of Policy and Resources, the Office successfully bid to take over the administration of the All Party Parliamentary Group for Financial Markets and Services. This secures the future of the group, which has been the leading cross-party voice for wholesale financial markets and services in Parliament for over 20 years.
18. The group will continue to be led by its Industry Advisory Group (of which the Corporation has been a member for a number of years) and its parliamentary members. However, the City's new position provides an excellent opportunity to add weight to the Corporation's role as convenor of the UK's FPS sector. The Corporation will play a closer role in constructing the APPG's agenda of events. The APPG provides both the sector and the Corporation with an established vehicle for outreach both in the run up to and after the general election. A new chair of the APPG will be elected in due course, following the appointment of previous chair Bim Afolami as City Minister.
19. Opportunities for engagement with the new House of Lords Financial Services Regulation Committee, formed in January, will be explored. Formation of the Committee, which envisaged by the Financial Services and Markets Act 2023, follows discussions between the Commons and the Lords about the future parliamentary scrutiny of financial services regulation, where the Commons

objected to proposals for a joint committee of both Houses. The Policy Chairman has written to the Chairman of the Committee, Lord Forsyth of Drumlean (Con), with the offer of an introductory meeting.

20. The Office coordinated a briefing for Nick Collier, Managing Director of the Brussels office, ahead of an appearance at the House of Lords International Agreements Committee regarding the UK-Switzerland Financial Services Agreement. Speaking alongside TheCityUK's Nicola Watkinson and the Association of British Insurers' Carol Hall, the session covered engagement with industry during the negotiation of the agreement, opportunities for similar agreements with other states, and discussion of the merits of mutual recognition agreements to equivalence decisions.
21. Preparations are underway for the City of London Police's appearance at the Home Affairs Committee, as part of their inquiry into fraud. Representatives from the City of London Police are likely to be AC Nik Adams and Service Delivery Director Chris Bell. In 2023, City Police representatives spoke to the Committee in a private session prior to the launch of the inquiry, and submitted written evidence to the inquiry.
22. The Office supported wider outreach of the Corporation's Benchmarking analysis report "*Our global offer to business: London and the UK's competitive strengths supporting economic growth*". The report was shared with key parliamentary stakeholders, including the Chair of the Treasury Committee and the Chair of the new Lords Financial Services Regulation Committee. The report's various findings will also be integrated into briefings issued to parliamentarians ahead of debates.
23. The City's engagement in support of green and open spaces will include data from the new "Natural capital assessment of the City of London Corporation's open spaces" report.
24. Regular briefing of parliamentarians ahead of debates in either House will continue. Recent topics of briefings include financial education, UK industrial policy, the value of the UK's cultural sector, and capital markets.
25. The Policy Chairman spoke at a meeting of the Industry and Parliament Trust on the subject of developments in the financial sector. He spoke about the importance of innovation and urged support from Westminster's politicians. CPR spoke alongside Mark Hoban, Chair, Pay.UK and former Treasury Minister. Lord Tyrie, former chairman of the Treasury Select Committee chaired the event.
26. The Order in Council required to implement the new parliamentary constituency boundaries was made at a meeting of the Privy Council on 15<sup>th</sup> November. The new boundaries accordingly came into force on 29<sup>th</sup> November 2023 and will form the basis of the constituencies to be fought at the next General Election.
27. With the Levelling-up and Regeneration Act receiving Royal Assent, provisions addressing concerns regarding s618 of the Housing Act 1985 (which remove

an additional restriction within that section relating to voting on housing matters for members of the Common Council living in Corporation owned property) have become law. The relevant section of the Act came into force at the end of December 2023. Practical implications of the amendment for Members is being addressed and a paper has been prepared for the Member Development and Standards Sub-committee and Policy and Resources Committee to seek approval for relevant amendments to the Standing Orders (under urgency). All elected Members have been issued with a summary of the revised position.

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