

What's in the King's Speech for major projects?

Among the 39 bills included in the [King's Speech](#) on 17th July, in what was labelled as a “programme of national renewal”, there were a number of announcements that may affect the world of major projects. There are also some anticipated changes that were not mentioned in the King's Speech (or the accompanying briefing notes) that are likely to be implemented outside of the legislative process or they will feature in subsequent parliamentary sessions. For example the proposed creation of the National Infrastructure & Service Transformation Authority (NISTA) was not mentioned, but then formally announced two weeks later as part of the Chancellor of the Exchequer's [command paper](#) on 29th July.

Of the 39 bills planned for the current parliamentary session there were 14 which will be of interest across our membership:

- Some enablers: Planning & Infrastructure Bill, National Wealth Fund Bill, and Skills England Bill
- Transport related: High Speed Rail (Crewe to Manchester) Bill, the Railways Bill and Passenger Railway Services (Public Ownership) Bill, English Devolution Bill, and Better Buses Bill
- Energy/environment related: Great British Energy Bill, Crown Estate Bill, Sustainable Aviation Fuel (Revenue Support Mechanism) Bill and Water (Special Measures) Bill
- Technology related: Digital Information and Smart Data Bill, and the Cyber Security and Resilience Bill.

Absent from the King's Speech were any details of how Whitehall will transition to being “mission-driven”, but as can be seen in the following summaries, many of these bills are clearly interconnected. For example, the National Wealth Bill, the Crown Estates Bill, and the Great British Energy bill in combination provide the funding, the land and the organisation to develop clean energy projects. Hopefully more details on how our major projects become more ‘joined-up’ and align to the Government's five missions and spending plans will emerge ahead of the [autumn budget](#) on 30th October.

There were other notable absentees in the King's Speech on areas of infrastructure such as roads, hospitals, prisons/courts and climate resilience. Again, some of these were picked up in the Chancellor's subsequent command paper.

The enablers

Planning & Infrastructure Bill

“My Ministers will get Britain building, including through planning reform, as they seek to accelerate the delivery of high quality infrastructure and housing”.

The Planning & Infrastructure Bill sets out to speed up and streamline the planning process to build more homes and accelerate the delivery of major infrastructure projects in alignment with the Government’s industrial, energy, and transport strategies – which prompts a question as to when we will see these strategies and what they will cover. It includes initiatives to streamline the delivery process for critical infrastructure such as the national grid, reforming compulsory purchase compensation rules, modernising planning committees, increasing local planning authorities’ capacity, and using development to fund nature recovery where currently both are stalled.

The briefing notes recognise that to meet the UK’s infrastructure needs there will need to be a change in Government decisions over the next 10-15 years, alongside considerations on the environment and community impacts. It also acknowledges the findings from the National Infrastructure Commission that failure to accelerate infrastructure delivery plans in the next 5 years, could constrain economic growth and threaten climate targets.

There is acknowledgement too that the decision-making enabled by the Nationally Significant Infrastructure Project regime slowed in recent years, with the average Development Consent Order taking 4.2 years, up from 2.6 across 2012/2021. Legal challenges have also increased since 2021 (4 successful out of 15 legal challenges), prompting actors to increase the scope and volume of their environmental impact assessments to tens of thousands of pages.

Issues relating to the planning process, particular the pace and effort required, will be no surprise to members as it is a perennial topic suggested for seminars or studies. It was the focus of a recent seminar in Birmingham “[Consents & Stakeholders](#)”. The strive for pace has echoes of the discussions we had in relation to covid recovery of “shovel ready vs shovel worthy”. It was flagged by Jan Bessell, Strategic Planning Adviser, Pinsent Masons LLP and Board Chair, National Infrastructure Planning Association, at our seminar. She identified an obsession by some on operational reform leading to ‘faster consenting’, and she balanced this by saying in her view that we need **‘better consenting with better outcomes’** and that if ‘we go faster in doing better and achieving those outcomes then that is a good thing’.

National Wealth Fund Bill

The National Wealth Fund will provide £7.3bn of capital and look to “crowd in” three times as much from private investors to support the Government’s growth, industrial strategy and clean energy missions. It will do so initially via the existing national banks – the UK Infrastructure Bank and the British Business Bank – before being established as a statutory body in its own right.

The aim is to simplify the support and routes for businesses and investors. It will align to the Industrial Strategy and the Green Prosperity Plan. Other than a reference to establishing an Industrial Strategy Council there is no supporting detail on timing or scope for these enablers.

How to unlock private finance through innovative models has long been a question since PFI fell out of favour after the 2015 infrastructure cost review. The Association is holding a seminar looking at this very issue in September: [Moving on from PFI - Innovative ways to Fund and Finance Major Infrastructure](#).

Skills England Bill

“My Government will establish Skills England which will have a new partnership with employers at its heart, and my Ministers will reform the apprenticeship levy”.

One of the criticism of many attempts to speed up projects (planning/consents and delivery) is whether we have the available skills to “get Britain building”. This bill seeks to address that and aims to ensure “the supply of skills needed for the economy”. The key initiatives under this Bill are changes to how the Apprenticeship Levy can be accessed and closer involvement of the Mayoral Combined Authorities and Unions on skills needed regionally and locally. As with some other Bills the role of the Industrial Strategy Council would appear to be key.

The Bill also aims to tackle inequality by improving opportunities and social mobility – a topic the Association has addressed through numerous seminars and our [social value forum](#).

Transport

High Speed Rail (Crewe to Manchester) Bill

This Bill is not reversing the decision to cancel the second Phase of HS2. Instead, it is repurposing the High Speed Rail (Crewe – Manchester) Bill that was carried over from the last parliament to provide powers to construct and operate rail projects which improve east to west connectivity across the north of England. Specifically, it includes new stations at Manchester Piccadilly and Manchester Airport.

It may leave open the opportunity for Phase 2 to be reconsidered at a later date as the proposed east to west connectivity and the airport station could provide a spur for HS2 to connect to. The devil will be in the detail of the repurposed bill in terms of allowing such connectivity later, for example arrangements for how HS2 to joins the West Coast Mainline at Handsacre Junction in Staffordshire and arrangements for land already acquired or due to be acquired.

Railways Bill and Passenger Railway Services (Public Ownership) Bill

“My Ministers will bring forward legislation to improve the railways by ... establishing Great British Railways.”

“My Ministers will bring forward legislation to improve the railways by reforming rail franchising, ... and bringing train operators into public ownership”.

The Railways Bill will bring track and train back together taking a whole-system basis to planning services – including ticketing reform. It brings together the management of the network and the delivery of passenger services into a single public body, Great British Railways (GBR). This new body will act as a “directing mind”, covering both passenger and freight customers. Major projects being delivered by Network Rail will now come under the remit of GBR when it gets absorbed into the new organisation. As it stands HS2 Ltd and East West Rail Ltd would seem to remain separate from GBR.

Currently the Government acts as the “operator of last resort” in cases where a train operator is failing to meet its obligations. The Passenger Railway Services (Public Ownership) Bill will amend those arrangements so that it becomes the default position to transfer to a public-sector operator as contracts expire or are terminated. This Bill does not have many direct impacts for major projects, but it does mean that it should simplify/reduce compensation payments for Great British Railways to the operators – and that may influence strategies for access/possession for asset maintenance/enhancements and with improved possession there is potential to reduce project timelines.

English Devolution Bill and Better Buses Bill

“My Government believes that greater devolution of decision making is at the heart of a modern dynamic economy and is a key driver of economic growth and my Ministers will introduce an English Devolution Bill.”

“A Bill will be introduced to allow local leaders to take control of their local bus services.”

The devolution bill will transfer more powers from Westminster to local leaders such as the metro mayors. It will enable new Combined and Combined County Authorities to be established – so no longer based primarily on city regions. The Bill aims to improve governance for the additional responsibilities that are transferred. Local leaders will be required to produce Local Growth Plans. If these growth plans are not too dissimilar to what the former Local Enterprise Partnerships produced, we may see them sooner than we could otherwise expect. Again, the briefing note is light on detail so this is one to look out for as consultation and drafting starts, but for major projects this will represent a shifting stakeholder landscape. The associated Busses Bill transfers more power to local leaders for decisions relating franchising and funding bus services. It also includes the lifting of a ban on publicly owned bus companies. Combined, these two Bills are likely to affect the funding routes and therefore the governance and business cases of major transport projects with regional connectivity.

Energy and environment

Great British Energy Bill and the Crown Estates Bill

“A Bill will be introduced to set up Great British Energy, a publicly owned clean power company headquartered in Scotland, which will help accelerate investment in renewable energy such as offshore wind.”

This Bill will establish a new, publicly-owned energy production company which will own, manage and operate clean power projects – to be called Great British Energy and headquartered in Scotland. It will have a capitalisation of £8.3 billion of new money over the Parliament to develop, own and operate assets, investing in partnership with the private sector. The Secretary for State will be required to prepare a strategic priorities statement for Great British Energy to show how it will align to the Government’s priorities.

This bill aims to decarbonising the power system to support the UK's 2050 net zero commitment and 2030 targets. It also aims to increase energy security and reduce price volatility for consumers by reducing the dependency on imported oil and gas.

The Crown Estates Bill was not explicitly mentioned in the King's Speech but was included in the briefing notes. The Bill will enable the Crown Estate to borrow and widen what it can invest in. The significance of this is the land and seabed that the Crown is responsible for which can be used for infrastructure – and onshore/offshore wind projects in particular.

Through the creation of Great British Energy and the 'strategic priorities statement', these two Bills in combination with the Infrastructure & Planning Bill will seek to accelerate the commissioning and delivery of clean energy projects.

Sustainable Aviation Fuel (Revenue Support Mechanism) Bill

"A Bill will be introduced to support sustainable aviation fuel production."

This Bill will support sustainable aviation fuel production in the UK by providing revenue certainty to encourage investment in the construction of plants across the UK. This is estimated to add over £1.8 billion to the economy and over 10,000 jobs across the country while supporting decarbonisation. Currently sustainable aviation fuel is mostly biofuel and there are secondary issues such as the intensive farming of monocrops. The Bill puts a limit on such feedstocks which may see more investment into synthetic fuels obtained from low-carbon hydrogen (blue hydrogen) and CO₂. The challenge here is that synthetic fuels are themselves energy intensive so will need significant investment in low carbon generation. Projects such as [HyNet Northwest](#), [H2NorthEast](#) and [H2Teesside](#) may benefit from this incentive and cap.

Water (Special Measures) Bill

"My Government recognises the need to improve water quality and a Bill will be introduced to strengthen the powers of the water regulator."

This Bill is all about strengthening regulation of the water sector. It doesn't have any content specific to major projects per se, but the briefing notes that accompanied the King's Speech goes on to explain that the Government will outline further legislation to fundamentally transform and reset the water industry at a later date. As we learned at our September [seminar on regulated industries](#), Water UK estimate the water companies are about to spend a staggering [£100bn on capital projects in the next five years](#). The increased regulation and uncertainty over subsequent legislation may affect investor appetite for the riskier projects in that portfolio such as new reservoirs and water transfer schemes and we could see a revision to the financing, funding and procurement approaches being considered for them.

Technology

Digital Information and Smart Data Bill, and the Cyber Security and Resilience Bill

The Government wants to harness the power of data for economic growth, modernise Government services, and to improve people's lives.

The Digital Information and Smart Data Bill includes provisions to improving data laws by ensuring personal data is well protected on the one hand but easier to share and use for research on the other. Of particular interest with regards to major projects is the goal to develop a National Underground Asset Register. This isn't in fact a new initiative as localised pilots were first developed back in 2019. Its aim is to give planners and excavators standardised, secure, instant access to the data they need, when they need it, to carry out their work effectively and safely.

The Cyber Security and Resilience Bill recognises that the economy is increasingly being attacked by cyber criminals and state actors – making critical infrastructure and the digital services that we rely on vulnerable to disruption. The Bill seeks to improve protection primarily through increased regulation, so the impact on major projects is likely to be an indirect one – requiring us to raise cyber security thresholds and lowering the thresholds for incident reporting.

Neither of these two Bills reference the role of Artificial Intelligence in terms of service transformation opportunities or in terms of additional governance and guardrails that may be required. However, subsequent to the King's Speech on the 26th July the Department for Science, Innovation & Technology published its Terms of Reference for an [Artificial Intelligence \(AI\) Opportunities Action Plan](#).

Earlier in the year the MPA worked with the APM and the IPA to develop a paper on Data Analytics and AI in Government Project Delivery. The paper sets out the need to establish the conditions for successful use of data analytics and AI in projects through five initiatives – data skills/capability, better data and availability, evidence-based decision making, experimenting together and data partnerships. Hopefully it has primed the pump for the AI Opportunities Action Plan with respect to major projects.

AI was also the subject of our [Pace of Change](#) seminar in June and is the feature topic of this year's Annual Conference "[AI is the answer, now what is the question?](#)" in October. At the conference we will be exploring the sweet spot for AI in major projects, consider the governance and ethical implications as well as impacts on member's organisations.