



Informing Progress - Shaping the Future

FOIL Update 22nd July 2024



The King's Speech of July 18, 2024, outlined Labour's ambitious legislative agenda, introducing several bills with significant implications for the UK legal and insurance sectors. Here's a comprehensive overview of the key points and their potential impact:

1. Justice and the 'Hillsborough Law':

While not named as a specific bill, the government has committed to advancing the 'Hillsborough Law'. This legislation aims to establish a duty of candour on public servants and authorities, mandating openness and transparency in their dealings. However, the exact implications for civil liability and the individual/organisational responsibilities remain unclear pending analysis of the draft bill. The government has also pledged to provide legal aid to victims of public disasters or state-related deaths.

2. Welfare and Pensions Reform:

The Pension Schemes Bill was announced, which could impact employment practices and social security claims, potentially affecting employers' liability insurance and related legal matters. By strengthening protections for pension scheme members, the bill may reduce the risk of pension fraud and management, potentially leading to fewer claims against employers and pension trustees. However, increased employer obligations for pension management and reporting could raise the risk of non-compliance and associated claims.

3. Constitutional Reforms:

While no specific bill was mentioned for reducing the voting age, an unnamed bill regarding hereditary peers was announced. These changes could alter the legislative landscape.

4. Devolved Affairs:

The English Devolution Bill was introduced, which may lead to more localized decision-making. This could result in regional variations in insurance regulations and practices, requiring insurers and legal professionals to adapt to a more complex regulatory environment.

5. Economic Affairs:

The Employment Rights Bill was announced, its primary focus on strengthening workers' rights, enhancing protection and banning exploitative practices. While specific provisions regarding payment practises were not detailed, the bill aims to establish a “New Deal for Working People”, which may include measures to improve financial stability for small businesses.

Additionally, the Race and Disability Bill was mentioned, which is designed to introduce a statutory right to equal pay for ethnic minorities and disabled people, as well as mandate ethnicity and disability pay reporting for large employers with over 250 employees, this may obviously have implications for employment practices and business operations.

6. Home Affairs:

The Terrorism (Protection of Premises) Bill, also known as Martyn's Law, was introduced. This will likely impact public liability insurance and may require changes in risk assessment and policy wording related to public places and event venues.

7. Housing:

The Renters' Rights Bill was announced, which includes the extension of Awaab's Law and increased tenant protection. This will have significant implications for landlord insurance and property-related liability cases.

8. Science, Technology, and Innovation:

The Digital Information Bill and Smart Data Bill were introduced. While no specific AI Bill was mentioned (as anticipated), these could impact cyber insurance and technology-related liability policies.

9. Transport:

The Railways Bill and Passenger Railway Services Bill were announced, which may lead to changes in transportation insurance and liability considerations.

These proposed changes underscore the need for insurance lawyers to stay abreast of evolving legislation and its potential impacts on various insurance sectors. The 'Hillsborough Law' may represent a shift in public body accountability, though its exact implications for litigation and claims against state entities remain to be determined.

Insurance professionals should anticipate a period of adaptation as these proposed new laws and regulations are implemented. This may include revising policy wordings, reassessing risk profiles, and developing new products to address emerging liabilities. The emphasis on transparency and accountability in public affairs may also lead to changes in how insurance companies interact with public bodies and handle claims involving state entities.

The King's Speech therefore outlines a transformative agenda that will significantly impact the UK's legal and insurance landscape. As these changes unfold, professionals must remain vigilant, adaptable, and proactive in addressing the evolving needs of their clients and the broader insurance market.

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