



# King's Speech 2026

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## State Opening, Political Unravelling

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By Senior Partner & Head of Private Equity, Lizzie Wills, and Associate, James Allan

Ordinarily, the King's Speech would dominate Westminster: the formal opening of the new parliamentary session, a moment for the government to set out its legislative programme, and an opportunity to project authority, clarity and credibility. Yet this year, the State Opening has been overshadowed by the political drama engulfing No.10, and you'd be forgiven for forgetting that the King's Speech was even happening. Speculation over the future of Keir Starmer's leadership, the political manoeuvrings of potential leadership rivals, and the continued fallout from a disastrous set of local and devolved election results last week, has become the defining political story of the day, eclipsing what is usually one of the most significant set-piece events in the parliamentary calendar.

Starmer will be hoping the King's Speech offers a moment of respite, and of potential reset: an opportunity to draw a line under weeks of damaging speculation, to reassert control of the narrative, and to demonstrate that the government has a credible plan for delivering on the promises set out in Labour's election manifesto.

Sceptics will view this as a period of calm before the oncoming storm. With four ministers having resigned from Starmer's government, it is perhaps inevitable that more will follow. Starmer's hopes of reframing the political conversation to focus on the government's legislative priorities rather than internal party politics will strike many as little more than wishful thinking.

The timing of the King's Speech was deliberate, designed to act as a firebreak after the disastrous local election results, which were long predicted to reflect public dissatisfaction and frustration with the government's pace of delivery, political priorities and strategic direction. It is likely to act as a brief pause during which the Prime Minister can catch his breath, but little more. The big question on everyone's lips now becomes: irrespective of what's in today's King's Speech, will the Prime Minister be in position long enough to deliver it?

Constitutionally, it is His Majesty's Government, not Keir Starmer's government. Regardless of whether Starmer's premiership survives the coming days, the business of government will continue. Should Keir Starmer be replaced as Prime Minister, the government's legislative agenda will remain largely intact. A new Labour Prime Minister will undoubtedly change the political tone and strategic emphasis across government departments. As ministers progress with developing the detail of legislation, however, there is likely to be greater scope for shifts in rhetoric, policy prioritisation and legislative approach. For businesses and investors, the risk is less a radical departure from announced items of legislation, but changing ministerial teams, policy priorities and expectations that will require close monitoring over the new parliamentary term.

## Key measures in the King's Speech

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By GK's Head of Policy, Hugo Tuckett

The government's second King's Speech since coming to power in July 2024 seeks to frame its legislative agenda around ensuring the economic, defence and energy security of the UK in an increasingly dangerous and volatile world.

Measures to boost economic growth and help address the cost of living sit at the heart of the government's legislative agenda. Several pieces of legislation were announced to support the delivery of major infrastructure projects, including the **Civil Aviation Bill** to facilitate airport expansion; the **Highways (Financing) Bill** to enable roads (including the Lower Thames Crossing) to be built at greater pace; and the **Northern Powerhouse Rail Bill**, formerly the High Speed Rail (Crewe – Manchester) Bill which was carried over from the last parliamentary session, to boost rail capacity in the north of England. This follows on from the government's flagship Planning and Infrastructure Act 2025 which was passed in the last parliamentary session and seeks to remove blockages and delays in the planning system to support the delivery of major infrastructure projects. The proposed **Energy Independence Bill** has also been positioned as a means of scaling up renewable energy to protect living standards for the long-term.

The introduction of the **European Partnership Bill**, which the government positions as a means of taking advantage of new trading opportunities by strengthening the UK's ties with the EU and therefore support its economic growth agenda, is likely to be a particularly controversial piece of legislation. Closer alignment with the bloc was a significant feature of the Prime Minister's latest reset speech following the dismal set of local election results earlier this month and attracted much criticism from Reform UK's Nigel Farage who accused Labour of trying to backtrack on the 2016 Brexit vote. Expect this piece of legislation to attract considerable political attention – particularly from Reform UK and the Conservative Party – as it works its way through parliament in the coming months.

Numerous pieces of legislation were announced to deliver on the government's wider reforms to public services. The **Police Reform Bill** seeks to cut bureaucracy and empower officers to focus on the issues that matter most in their local communities; the **NHS Modernisation Bill** aims to

introduce powers to deliver a Single Patient Record to support better joined up working between different areas of the health service; the **Courts Modernisation Bill**, formerly titled the Courts and Tribunals Bill, is due to implement the findings of Sir Brian Leveson's independent review of the criminal courts. This is alongside further reforms to the housing sector, including through the **Commonhold and Leasehold Reform** which will introduce a cap on the ground rents that landlords can charge and represents the continuation of cross-party efforts to push through reform to the leasehold system.

There are several bills being carried over from the 2024-2026 parliamentary session that have been agreed to by the Commons, including the **Railways and Passenger Benefits Bill**, **Representation of the People Bill** and the **Cyber Security and Resilience Bill**. Some bills are carried over because there may not have been sufficient time in the previous parliamentary session for the legislation to complete all the necessary stages and ultimately receive Royal Assent before the sessions ends. The government may also decide to delay or pause bills because of political disagreements, or because it needs time to amend the legislation before wishing to pass it into law in the next session.

## Sector Analysis

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### Economic confidence and business regulation

The King's Speech includes a number of economic bills and others that will be important for the business community. Small businesses in particular will welcome the measures proposed in the **Small Business Protections (Late Payments) Bill** which introduces a number of new requirements intended to improve payment practices. This includes new regulatory powers for the Small Business Commissioner intended to help reduce the prevalence of late payments and improve cash flow for small businesses. The proposed measures are not themselves new, but reflect the outcome of a recent government consultation on this subject and follow various incremental reforms that took place under the last Conservative government. With much of the policy work already completed, we can expect this bill to feature early in this parliamentary session.

The other bills reflect the government's continuing commitment to securing economic growth. The plans to reform competition law and improve the performance and decision-making at the Competition and Markets Authority (the **Competition Reform Bill**) is intended to improve business confidence in both investment and innovation by creating a more predictable competition and regulatory environment. Similarly, the **Regulating for Growth Bill** intends to reform the regulatory system to make it more responsive to innovation, including in areas such as AI and medical technologies, and to bring the UK's regulatory environment more into line with those of other major economies. Both bills are consistent with the government's overall economic narrative. However almost half-way through this parliament, it is unlikely these legislative reforms will in themselves result in any material additional economic growth before the next election.

## Education

Following the publication of the schools white paper and SEND consultation in February earlier this year, the King's Speech includes the introduction of a new **Education for All Bill** which seeks to deliver on the government's objectives of raising school standards and reforming the SEND system. The government has said that the legislation will 'transform' support for children and young people with SEND by providing early access to support closer to home and by building an inclusive education system that works for every family.

The provisions of the legislation mirror the contents of the government's consultation, meaning there is nothing *new* in the King's Speech in relation to SEND reform, and it includes measures to: require education settings to produce Individual Support Plans; facilitate earlier intervention through the creation of new National Inclusion Standards; and deliver consistent support for those with complex needs through new Specialist Provision Packages, amongst other provisions.

For providers in the sector, this offers an early indication that – despite the consultation still open for responses – the government plans to proceed with the key components of its reform agenda as already set out. This, at a minimum, provides a strong degree of policy consistency for the sector and allows it start making preparations for the transition to the new system over the coming years.

## Health

While the King's Speech did not contain many new health policy announcements, the proposed **NHS Modernisation Bill** highlights the government's commitment to reducing bureaucracy and improving efficiency within the health system. The bill facilitates the abolition of NHS England and the transfer of its functions to the Department of Health and Social Care (DHSC), centralising political control over the health service within DHSC's ministerial team. While trade unions and membership organisations in the health sector have criticised the proposed abolishment of NHS England, the government has argued that it is necessary to free up resources that could be reinvested in frontline services.

The bill also includes measures to require GPs and hospitals to share patient data. This will allow the NHS to build a 'single patient record', supporting the government's aim to 'unlock the value of health data' which was originally outlined in the 10 Year Health Plan (published in July 2025). The government is aware that the lack of a single record has impeded the delivery of care and is a factor in poor patient satisfaction. DHSC believes that the single record will join up fragmented healthcare information across the country and allow patients to receive safer, quicker and more accurate healthcare. The government has also pledged to provide patients with audit trails and choice over how their data is used, which will raise questions from NHS trusts and private healthcare providers over how they will be expected to comply with data protection regulations.

The bill will also support ICBs to become 'strategic commissioners' by transferring responsibilities for all but the most specialised commissioning functions to ICBs, including primary care, dentistry,

ophthalmology and pharmacy. This will continue the recent trend towards a system where ICBs have the flexibility to tailor health and social care services to their local contexts and local populations, rather than being required to adopt a one-size-fits-all approach. These measures will further highlight the need for private sector providers to ensure that their services are aligned with the objectives of local ICB commissioners as they receive even greater autonomy over decision making.

## Energy

The energy sector received specific attention in the King's speech, with multiple references to the work the government will be doing to prioritise energy security against a backdrop of geopolitical instability and the war in Iran.

The **Energy Independence Bill** is the most significant of the pieces of legislation the government has said it will bring forward. The bill will give further momentum to the energy secretary's priorities to deliver more quickly on clean energy by speeding up the build-out of grid infrastructure with more strategic planning powers, as well as exploring other technologies such as smart grids, offshore wind and hydrogen. The bill will support families by enacting the priorities set out in the Warm Homes Plan, including establishing the Warm Homes Agency, and giving new powers to Ofgem to regulate energy brokers and unfair practices. The **Nuclear Regulation Bill** signposts the government's commitment to new nuclear. It will overhaul the existing regulatory framework, implementing the recommendations from the Nuclear Regulatory Review led by John Fingleton that the government accepted earlier this year. Finally, the **Electricity Generator Levy Bill** will implement the announcement made in April 2026 that the government will take steps to decouple electricity prices to support businesses and households with the cost of living, further underpinning the government's overarching themes – addressing ongoing cost-of-living challenges.

## Food, farming and agriculture

For food, farming and agriculture, little will change in legislation over the course of the new parliamentary term. The Department for Environment, Food and Rural Affairs (Defra) has picked up only one new item of legislation – the **Clean Water Bill** that aims 'clean up the water industry' through improved consumer protections and tighter regulatory oversight of water companies. While primarily focused on the water industry, the bill will include measures to strengthen and consolidate agricultural pollution rules as part of wider efforts to improve river and water quality.

Of more immediate significance for many food and drink businesses, however, is the government's continued focus on improving the UK's trading relationship with the EU. The European Partnership Bill will provide a legislative framework for implementing existing and future sector-by-sector agreements with the EU. For food and drink, the government aims to ease the movement of goods to and from European markets. With an endorsement from Morrisons Chief Executive Rami Baitieh, the government estimates that a food and drinks deal with the EU has the potential to add up to £5.1 billion a year to the economy. The Cabinet Office is the lead department responsible for seeing the

legislation through parliament which broadens the scope of engagement opportunities for food and drink businesses.

The comparatively light legislative programme for Defra means that ministers and officials will have greater capacity and scope to progress its in-tray of non-legislative reforms and strategies. This includes an implementation plan of the government's food strategy vision; responding to the Batters' Farming Profitability review and publishing the 25 year roadmap for farmers; redesigning environmental land management and sustainable farming initiative programmes; and implementing the recently published Land-Use framework.

### Emerging regulatory markets

The **Regulating for Growth Bill** referenced above seeks to reduce the 'burden of unnecessary regulation' through more innovative regulatory frameworks. Compared to other countries such as the US, China, Singapore, and Canada, the government believes that the UK lacks regulatory agility and risks falling behind in the growth of emerging technologies. To remedy this, the bill aims to enable 'rapid but controlled' testing of new regulatory approaches, which will be achieved through regulatory sandboxes.

The creation of 'sandboxing powers' will allow the temporary suspension of existing regulations in controlled conditions so that new technologies can be tested in real-world settings. The Regulatory Innovation Office has already run successful sandboxes on Rendezvous and Proximity Operations (RPO) in space, which has laid the groundwork for policy reforms that will enable the UK's in-orbit servicing industry to grow. An expansion of 'sandboxing powers' is likely to create further opportunities for businesses developing and using the emerging technologies that are crucial to the frontier industries the government included in its industrial strategy.

In particular, this bill is likely to impact the drones and space sector. Regulation of these sectors is still in its infancy, and policymakers are seeking to scale businesses operating within these sectors while balancing concerns around public safety. This is especially relevant in areas such as beyond visual line of sight (BVLOS) drone operations, and the use of autonomous systems across sectors such as healthcare, and in-orbit servicing and manufacturing. It will be increasingly important for businesses in these sectors to engage proactively with policymakers and regulators, to highlight the areas where existing regulation is inhibiting growth and to shape how these new powers can be used to support commercialisation and scaling. Doing so will place businesses that are involved with emerging technologies in a stronger position to shape future regulatory reforms.

## Contact Information

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