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# King's Speech: Key tech takeaways & industry reaction

No AI bill - but government pledges to establish legislation later while introducing bills around smart data, cyber & devolution

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The first King's Speech of the new era of Labour government fell short of introducing a bill on artificial intelligence.

However the speech, delivered by monarch King Charles III on behalf of new Prime Minister Sir Keir Starmer's administration, pledged to "seek to establish the appropriate legislation to place requirements on those working to develop the most powerful artificial intelligence models".

The speech, part of the traditional state opening of Parliament, outlined the draft laws which Labour plan to introduce in the coming months.

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“They will also pursue sustainable growth by encouraging investment in industry, skills and new technologies.”

Among a raft of wider measures – see the full speech [here](#) – was a Digital information and smart data bill, intended to enable new, innovative uses of data to help boost the economy; and a Cybersecurity and resilience bill, which hands greater power to regulators when enforcing better cybersecurity defences within companies and increasing the reporting requirements placed upon those businesses to build up a picture of cyber threats to the UK.

The government pledged to kickstart economic growth by strengthening the role of the Office of Budget Responsibility, meaning significant fiscal announcements must be properly scrutinised and that “taxpayers’ money is respected”.

Labour [recently unveiled plans for a National Wealth Fund](#) which it says will unlock private investment for industries of the future. Today it pledged to introduce a bill to ensure that the fund – which will align the UK Infrastructure Bank and the British Business Bank – will make transformational investments across the UK.

The Skills England bill will look to bring together employers, unions and others to boost skills training, while the government also intends to hand back power to metro mayors, combined authorities and their communities via the English devolution bill.



The Great British Energy bill will see it set up a publicly owned clean energy firm, Great British Energy, which will seek to make Britain a clean energy superpower. It said it will also look to improve transport by bringing train operators into public ownership while confirming that the Birmingham to Manchester leg of HS2 will not be resurrected and instead focus on ‘east to west’ links.

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# Artificial intelligence

**Rhys Merrett**, head of tech PR at **The PHA Group**, said: “Instead of an AI bill announcement, we received mention of appropriate legislation to place requirements on the development of powerful AI tools. It’s a marked a shift in approach from the Conservatives who prioritised consultation over legal innovation. For any legislative approach to be successful, the government cannot play catch-up to the latest AI tools, including LLMs. Doing so risks putting in place blanket measures that undermine industry innovation and puts the UK behind Europe, the US and Asia. Importantly, consultation with the private sector, industry bodies, NGOs and the public will collectively inform the appropriate regulatory and legal approach AI. We should expect an AI bill on the horizon. AI adoption and innovation is not a sprint, but a marathon we have just begun.”

**David Shepherd**, senior vice president of EMEA at **Ivanti**, said: “The announcement of intentions to establish AI legislation is a positive step, but the details are what will matter. For regulations to truly succeed, and foster innovation while ensuring safety, clear, transparent, and globally consistent guardrails are crucial. Especially when it comes to protecting workers – one of the new Labour government’s key focuses.”

**Amanda Brock**, CEO of **OpenUK**, said: “Our Labour government is well-advised to tread carefully [while] capturing those who empower the most powerful AI, ensuring not to close market opportunities or limit UK innovation. The focus on being appropriately narrow and – from a safety lens – regulating only the largest models is well-received. For innovation to prevail, AI must be open... through informed understanding, the UK can leverage AI openness to acquire leadership on the world stage, enshrined in appropriate knowledge of benefits and risks that enable the transparency necessary to create trust. There are lessons the UK can learn from the EU’s AI Act that will likely prove to be an overly prescriptive and unwieldy cautionary tale of regulatory capture with only the largest companies able to comply, stifling innovation in the EU.”

**Paul Henninger**, head of connected technology at **KPMG UK**, said: “New

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something unknowingly illicit. This balance is achievable, but only if industry is consulted and nuances between different sectors are considered.”

**Leigh Bates**, technology, data and AI partner at **PwC**, said: “Firms are increasingly looking to leverage the potential of AI, so it is unsurprising to see a reference to the importance of the technology in the King’s Speech. The government will aim to establish new, legally binding rules for providers of the most powerful AI models. While the focus at this stage is likely to be on a relatively small number of actors, it has the potential to have much wider effects on firms building on top of these models and deploying them across various applications.”

**Dr Marc Warner**, CEO at **Faculty AI**, said: “Whilst tighter rules around frontier systems is sensible, Labour must guard against regulatory overreach. AI has been safely and successfully used for decades – from predicting travel times, spotting bank fraud or reading patient scans. Embracing these ‘narrow’ applications – AI tools with specific, predetermined goals set by humans – should be the priority. Cracking down here would only stifle growth and hamper innovation – as well as robbing the public of better, faster and cheaper public services. Starmer should release the handbrake on narrow AI, whilst implementing sensible rules around advanced, more general systems.”



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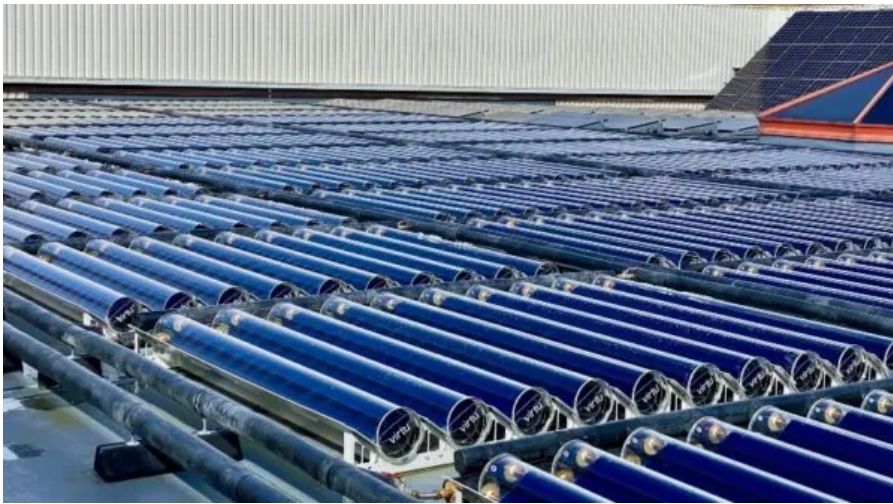
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## Cybersecurity

**Al Lakhani**, CEO of **IDEE**, said: “It looks like the UK government has finally woken up to the massive threat that cyber criminals pose to our public infrastructure. After an election campaign that ignored one of the biggest threats to national security, the new legislation requiring private companies in public sector supply chains to beef up their cybersecurity could be a real game-changer. I can sleep a little easier tonight knowing someone in charge is finally taking action. However, let’s not start celebrating just yet. This move, while necessary, doesn’t fully protect the UK’s defences, and it would be foolish to think we’ve suddenly addressed all the vulnerabilities that will remain as the bill is implemented. It might be hard to believe, but this is the first time cybersecurity legislation has been updated in six years – imagine how far behind we’ve fallen compared to the rapidly evolving

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concern for individuals and businesses – plus national defence. 79% of businesses and 83% of charities reported phishing incidents in the past year alone. However, there is still a chronic lack of professionals who are qualified enough to work in the sector. The shortfall of suitably skilled workers in cyber is around 11,200 and only 17% of the cyber workforce is female. We must create a diverse and representative cyber workforce to protect critical infrastructure from nefarious foreign actors. It is vital that Labour works with industry partners to encourage more intersectionality into cyber security and addresses the gaps across gender, ethnicities, and neurodiversity. Otherwise, the problems will only increase, leaving the UK vulnerable to attack.”



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## Energy

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business, social, and environmental benefits and truly accelerate decarbonisation of energy systems at the scale and pace needed to meet net zero targets.”

## Workers' rights

**Chris Turner**, executive director of **B Lab UK**, said: “Ministers have set out an ambitious agenda on workers' rights and economic growth, but they are missing a crucial window of opportunity to underpin these by reforming the way all UK businesses approach key decisions. Changes to employment law are necessary but they will only be successful if businesses move away from their focus on short-term profit at the expense of people and the planet. There is still time to introduce the Better Business Act in this session, empowering company directors to align the long-term future of our planet and the wellbeing of their workers and communities. This would enable the government to partner with every business and research has shown that purpose-led business models could boost growth and attract investment if adopted at scale.”

**Ian MacArthur**, director of the **GM Good Employment Charter**, said: “We welcome the Employment rights bill that will bring the proposals contained in the New Deal for Working people into statute. The Greater Manchester Good Employment Charter already covers many of the provisions that will be included in the Bill and Greater Manchester employers who have joined the Charter will be in a strong position to manage the impact of any new legislation. The Charter looks forward to supporting and working with the Government on the implementation of the new legal framework for raising employment standards.”

## Devolution

**Mike Randall**, CEO at **Simply Asset Finance**, said: “The government has been very clear on its promise to take the brakes off the economy, but it can only succeed in doing so by working hand in hand with SMEs. At a time where there is much disparity with performance across the country, the Devolution bill could potentially support local growth plans that directly benefit local businesses and communities. But we will have to wait for September's fiscal event to see if the promised reforms

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