



Localism Act - Briefing

Introduction

The long anticipated Localism Act received Royal Assent in November 2011 and contains a package of reforms that the government says will devolve greater power and freedoms to councils and neighbourhoods, establishes new rights for communities and makes radical changes and reforms to the planning system and to social housing. There are particular sections that relate specifically and solely to London. The government estimates that a number of the measures will come into effect in April 2012

The Act

The Act contains a range of measures under a number of key areas:

Community Rights

- **Community Right to Challenge** – giving local people the right to have more of a say over public services, particularly challenging local authority run services.
Councils will have a duty to consider an expression of interest (EOI) from VCOs, parish councils, employees and 'others' to provide a service on behalf of the council. The council must consider whether the expression of interest would promote or improve the social, economic or environmental well being of the area, and can refuse to consider it if not. The service would still have to be procured by the council in the usual way.
- **Assets of community value (community right to bid)** - councils must maintain a list of land/property that is of community value. The land does not have to be in public ownership. Citizens can nominate such land but the council does not have to accept them. A list of unsuccessful community nominations must be kept. The owner of a listed community asset must notify the council if they want to sell. A community interest group must be treated as a protected bidder during a protected period (a moratorium). This will allow them to prepare a business plan and to raise the funds they need to bid.
- **Community Right to Build**
(see under planning)

Decentralisation and strengthening local democracy

- Introduce a 'general power of competence' for local authorities i.e. councils may do anything that is not specifically prohibited by law.
- Councils allowed returning to the committee system (from the current cabinet system).

- Referendums will be held on whether to introduce directly elected mayors in 12 English cities in May 2012
- Ending 'predetermination rules' that limit the role of councillors on local (ward) issues. Councillors will be able to campaign, discuss and vote on all local issues.
- Abolishing the Standards Board but it will become a criminal offence to withhold or misrepresent personal interest.
- A requirement for local authorities to publish annually the details of pay for their chief executives and senior staff (as well as every item of expenditure over £500).

Reform the planning system

- Abolishing regional strategies and regional planning targets **except in London Where the Mayor will continue to have responsibility for the London Plan**
- Changes to the Community Infrastructure Levy including requiring some of these funds to be passed to the neighbourhood where local development is taking place.
- Neighbourhood planning– giving local people the right to produce their own neighbourhood plans to shape the development that happens in their area. Communities will be able to proceed with local development without the need for a planning application.
- Local Plan Reform which removes the ability of the Planning Inspectorate to rewrite local plans.
- Establish a **community right to build** – providing certain safeguards are met and where at least 50% of those voting in the community support the proposals through a referendum, communities will be able to approve local development without the need for planning permission.
- Duty to cooperate – this is intended to ensure local authorities and public bodies cooperate, particularly at a regional level, with the abolition of regional strategies.
- Pre-application consultation requiring developers to consult local people before planning applications are submitted (for very large developments).
- Enforcement - measures giving local planning authorities the ability to take action on deliberately misleading planning applications and running retrospective planning applications and enforcement appeals simultaneously
- Abolishing the Infrastructure Planning Commission (IPC) – decisions on major infrastructure projects, like power stations and transport projects, will be taken by Ministers and formal planning guidance (National Policy Statements) will have to be approved by Parliament.

Social Housing reform

- Social Housing Allocations Reform giving local authorities' greater control over housing waiting lists. Local authorities will be able to remove people who are 'not in priority need' from their waiting lists.
- Reform of Homelessness legislation whereby homeless people will no longer have a right to social housing – the current rights under the homelessness duty means homeless people can remain in temporary accommodation until social housing becomes

available. Local authorities will in future, be able to end their responsibilities under the duty with the offer of private rented accommodation with a minimum fixed term of 12 months.

- Social Housing Tenure Reform whereby local authorities will be allowed to grant tenancies for a fixed term length
- Reform of council housing finance which will allow local authorities to keep the income from their rents to fund housing maintenance.
- Introduce a new national Homeswap scheme
- Abolishing the Tenants Services Authority, the independent regulator for affordable housing in England, and transfer its role to the Homes and Communities Agency.
- Home Information Packs (HIPs) to be scrapped – the requirement for people selling houses to provide these reports has already been suspended.

Referenda

- Council Tax Referendums (which are required to be held if the local authority wishes to raise council tax above a certain amount) will not need to be held if the item of expenditure which increases council tax is one which was approved in a local referendum.

London

The Act also lays out the reforms of governance in London.

- Removes an existing prohibition against housing expenditure in the Greater London Authorities general power of competence, and provides that the prohibition against the expenditure on education services does not apply in relation to sponsorship of academies
- The devolution of executive powers over housing investment from the Homes and Communities Agency to the Greater London Authority so it can be fully aligned with the Mayor's own funding pot and the London Housing Strategy;
- The abolition of the London Development Agency, with its city-wide roles on regeneration and management of European funding to be transferred to the Greater London Authority so that the Mayor is directly accountable.
- New powers for the Mayor of London to create Mayoral Development Corporations to focus regeneration where it's needed most, such as to help secure East London's Olympic legacy, in partnership with London Boroughs. The Mayor has already indicated that the Olympic Park Legacy Company (OPLC) is to become a MDC
- Boroughs will be given control over more of the major local planning decisions that affect their local communities. The Mayor will only consider the largest planning applications in future
- Repeals the duty on the Mayor to publish four-yearly reports on the state of the environment in London and consolidates the six current environmental strategies which the Mayor must publish into a single strategy as the "London Environment Strategy". The Secretary of State may give guidance to the Mayor on the content and preparation

of the strategy and may give direction as to its content. Mayoral Strategies must have regard to EU and other obligations as well as national policies.

- Amends the GLA Act 1999 to require the Mayor to prepare and publish an Economic Development Strategy (EDS) for London. The EDS must contain an assessment of the economic conditions of London and the Mayors policies and proposals for the economic development and regeneration of London. It empowers the Secretary of State to issue guidance on the matters to be covered by the strategy and issues to be taken into account in preparing and revising it. It also empowers the Secretary of State to direct the Mayor to revise the strategy if it is inconsistent with national policies or has a detrimental effect on an area outside London
- Removes the Mayoral duty to carry out a two stage consultation process in relation to each of his statutory strategies, by removing the obligation to consult the Assembly and functional bodies first, before conducting a wider public consultation.
- However the Assembly will also gain a new power to reject the Mayor's final strategies by a two-thirds majority.

For Further Information and Support

Neighbourhood Planning

Locality: <http://locality.org.uk/>

Planning Aid For London: <http://www.planningaidforlondon.org.uk/>

Community Right to Bid

Community Matters: <http://www.communitymatters.org.uk/>

Community Right to Challenge

LVSC: <http://www.lvsc.org.uk/>

For further information please

Contact: Deirdre McGrath, **Email:** Deirdre@londoncivicforum.org.uk, **Tel:** 020 8709 9770

Website: www.londoncivicforum.org.uk **Address:** 18a Victoria Park Square, London E2 9PB