

“Localism for Dummies”

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Key areas of interest for Rural Communities

Coalition Agreement, May 2010

“The Government believes that it is time for a fundamental shift of power from Westminster to people. We will promote decentralisation and democratic engagement, and we will end the era of top-down government by giving new powers to local councils, communities, neighbourhoods and individuals.”

The Localism Bill

The Localism Bill was introduced to Parliament on 13 December 2010.

Key messages from the plain English guide to the Bill:

“This Bill will shift power from central government back into the hands of individuals, communities and councils.”

“The Localism Bill includes a number of important packages:

- decentralisation and strengthening local democracy
- Non-Domestic Rates
- community empowerment
- a radical re-boot of the planning system including neighbourhood planning
- changes to social housing policies
- devolving Powers to the Mayor and London Boroughs.”

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The role of Local Authorities

- General power of competence

Local authorities will have greater freedom to act: they will enjoy the same powers as individuals

- Clarification of predetermination

Councillors will be able to take part in open debate without fear that they will be accused of inappropriate lobbying

- Changes to governance

Changes to the ways local authorities operate: the “headline” change is the introduction of elected mayors in major cities.

Unlikely to affect day to day working between local authorities and rural communities.

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Community Right to Challenge

- Delivery of Services
 - Communities can bid to run a local service
 - Local Government must consider proposals and respond
- Control of Assets
 - Communities can bid to take control of important local assets
 - Communities will be given time to raise funds to purchase assets that come to the open market
 - There will be a list of important local assets
- Referendums
 - Communities can trigger a referendum on issues and local authorities and public bodies are required to take the outcome into consideration
 - Communities can trigger a referendum if local authorities wish to raise council tax above a cap imposed by the Secretary of State.

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Planning Changes

- Local Determination
 - Creation of Neighbourhood Development Plans
 - Legal requirements must still be met
 - Local Authorities will provide technical help
 - Parish Councils and neighbourhood groups will be able to grant outline and detailed planning permission to determine the location and appearance of houses, businesses and shops
- Removal of Regional Plans
 - Regional Spatial Strategies will be abolished
 - Strategic vision for the area still set by the local authority (“Local Development Framework”) with a duty for cross local authority co-operation
 - Major infrastructure decisions will still be taken nationally, but by Ministers rather than the Infrastructure Planning Committee
- Community Infrastructure Levy
 - There will be greater flexibility
 - Some of the money raised will go directly to neighbourhoods

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Some Issues and Questions...

Definitions

- “Community”
 - Asset control and service delivery will be vested to incorporated bodies: Existing VCS organisations; SPVs set up as charities; Parish Councils; local authority employees
- Referendum
 - Called by 5% of eligible voters in an electoral area or by all elected Councillors for that area
 - Requires a majority approval
 - Outcome is not binding but must be taken into consideration
- Neighbourhood
 - Not defined: Neighbourhood plans can be developed by Parish Council or “neighbourhood group”
- Localism
 - Clive Betts, Chair of the DCLG Committee told the House that the Localism Bill still doesn’t say what localism is

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Some Issues and Questions...

Issues for discussion

- How will local communities organise and develop the capacity to produce and operate Local Development Plans?
- Will Local Development Plans stimulate local development or become a NIMBYs' charter?
- Will local communities have the resources to deliver?
- Small number of grants (4 – 6 per year) from £3M Supporting Communities and Neighbourhoods fund
- RICS inviting submissions to a commission determining how it can equip communities to embrace their land and property role
- Technical help from Local Authority Officers
- Some commentators (eg FT, 28 January) fear the system will not encourage the right balance between promoting economic growth and allowing local residents and communities a say
- Others (eg CPRE) believe there will still be too much power in the hands of developers
- It is not clear where resources will come from
- Communities will be faced with developers who are likely to have greater resources than they have.

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Some Issues and Questions...

Issues for discussion

- Will local authorities listen to and act on the views expressed in local referendums?
- Can Government’s aspirations be delivered?
- The proposals will require a significant change to the business model adopted by local authorities: it is still unclear whether they will embrace change or choose not to co-operate
- There is an important role of ward councillors (Civic Voice)
- The Localism Bill is big (405 pages) and complex (208 clauses and 24 schedules)
- As the Bill enters Committee stage, much of the detail remains unclear
- Secondary legislation will be required to implement many of the proposals (it is estimated this will require local authorities to take on up to 142 powers)
- There is no systemic knowledge in local communities and no common standards of accountability or governance
- ... but Localism is a key priority for national Government and is broadly welcomed by local government.