

SOUTH EAST ENGLAND COUNCILS EXECUTIVE MEETING



Date: 7 June 2011

Subject: **Localism Bill: Questionnaire results and SEEC priorities**

Report of: Nick Woolfenden, SEEC Head of Policy Coordination & Heather Bolton, SEEC Head of Communications & Public Affairs

Recommendations:

That Executive Committee members:

- i) Discuss and agree the briefing (Annex 1) for members of the Lords and MPs highlighting SEEC's key concerns about the Bill
- ii) Share any key contacts in the House of Lords with the SEEC secretariat to assist in targeting the briefing.

1. Introduction

- 1.1 The Localism Bill was published on 13 December 2010¹, as the foundation for Government's devolution agenda. Bill provisions affect councils and communities, planning and housing. It contains 207 clauses, 24 detailed schedules and at least 142 order and regulation-making powers for central government. A summary of the Bill is available on SEEC's website².
- 1.2 The Bill completed its Commons stages in May 2011. Minor changes made in the Commons did not alter the main provisions in the Bill. It was carried by 300 votes to 216 and now moves to the House of Lords. It could be the end of this year before the Bill receives Royal Assent due to its complexity.
- 1.3 Local government believes the Bill contains too many central controls and directions, is unnecessarily bureaucratic, and challenges democratic powers of councillors. A SEEC Executive Committee workshop on 27 May considered feedback from SEEC's Localism Bill questionnaire and agreed key areas of primary concern to inform a briefing note for Lords and MPs, the aim being to influence Bill discussions in the Lords. A draft is attached as Annex 1 for members' discussion and approval.

2. SEEC views on the Bill

- 2.1 SEEC members support the principle of localism but feel the current Bill is unnecessary and will hinder existing good practice by introducing:
 - Too much central control by Ministers, undermining local decisions
 - A potential erosion of local representative democracy, in favour of giving power to unelected local communities
 - Increased bureaucracy, administrative burden and costs
 - Neighbourhood planning proposals that are costly, impractical and will not support growth.
- 2.2 Following discussion at the workshop, there was broad consensus on the following issues:

¹ <http://services.parliament.uk/bills/2010-11/localism.html>

² <http://www.secouncils.gov.uk/page/4/view/19/localism-bill>

2.3 **Support** for measures including -

1. The principle of localism, but introduced in a simpler, less bureaucratic way
2. A general power of competence for local authorities. This would support greater investment in the local economy and social enterprises through procurement and allow councils to operate more commercially
3. The ability to grant business rate discounts
4. Abolition of standards boards
5. Abolition of regional planning and top-down housing targets
6. Involving communities in planning, but without the complexity and conflict that will be created by new neighbourhood planning legislation. It would be simpler and cheaper to adapt the current LDF and parish plan approach.

2.4 **Concerns**, including -

1. Much of the Bill is unnecessary, unhelpful and unworkable

- The same results could be achieved more cheaply without legislation by adapting current systems and existing good practice – and without the need for centrally-imposed bureaucracy and regulation.

2. The Bill does not sufficiently reduce central control

- The 142 powers reserved for the Secretary of State need to be reduced to deliver genuine localism. Current plans undermine local decisions – eg Ministers' powers to decide what constitutes an 'excessive' council tax rise and what is a 'local matter' for referendums.

3. The Bill does not support role of councillors as elected representatives

- Measures such as local referendums and neighbourhood planning sideline councillors in favour of unelected community representatives. This bypasses the ballot box, undermining local democracy and accountability.

4. Local referendum plans are unnecessary and costly

- Referendums are costly, non-binding and can be called by a very small number of people. Good community involvement is already being achieved at lower cost through effective consultation and engagement.

5. The Bill will increase, not reduce, bureaucracy for local government

- Rules on maintaining lists of assets of community value, community right to challenge procurement and neighbourhood planning all increase burdens.

6. Neighbourhood planning & New Homes Bonus will not support growth

- Current plans in the Bill will add complexity, costs for supporting local groups, and bring tension about growth levels between communities. Variability in the quality and capacity of community groups will give an uneven approach. It is simpler and cheaper to adapt the current LDF and parish plan systems. New Homes Bonus payments are too small to encourage communities to support growth or fund infrastructure needs.

7. Councils must not be liable to pay EU fines imposed on Government

- Asking councils to pay part of any EU fines imposed on the UK is unfair as councils may have no responsibility for fines levied. This is unworkable and will lead to long, costly legal battles to decide who is liable.

3. The Way Forward

3.1 A draft briefing for MPs and Lords is attached for member comment and approval before it is circulated. SEEC members may also wish to raise key points in meetings with MPs, and at the forthcoming LGA conference.

3.2 Members are also invited to share key House of Lords contacts with the SEEC Secretariat to help target the briefing.