

## **Southwark Democracy Commission Proposed Future Legislation/ Government Programmes**

This paper sets out the key measures that the new government has announced that may have some impact on the work of local government and specifically the democracy commission. In most cases the information that is available to date is not detailed and in particular where new legislation is required may take some time to reach implementation. The Decentralisation & Localism Bill, for example, has a proposed timetable of publication in November 2010 with the intention that the Bill is passed by November 2011.

### **1. The Decentralisation & Localism Bill**

The Queen's Speech in May 2010 set out the details of its Decentralisation and Localism Bill. The intended timetable for the Bill is:

- Summer 2010 Consultation on those aspects that require consultation
- November 2010 Publication of the Bill
- November 2011 Bill passed.

The stated purpose and benefits of the Bill were set out as follows:

The Bill would devolve greater powers to councils and neighbourhoods and give local communities control over housing and planning decisions.

The main benefits are said to be:

- Empowering local people.
- Freeing local government from central and regional control.
- Giving local communities a real share in local growth.
- A more efficient and more local planning system.

The main elements announced in the Queen's Speech were:

- Abolish Regional Spatial Strategies to replace them with new "fast-track and democratically accountable" processes for major infrastructure projects.
- Return decision-making powers on housing and planning to local councils.
- Abolish the Infrastructure Planning Commission and replace it with an efficient and democratically accountable system that provides a fast-track process for major infrastructure projects.
- New powers to help save local facilities and services threatened with closure, and give communities the right to bid to take over local state-run services.
- Abolish the Standards Board regime.
- Give councils a general power of competence.
- Require public bodies to publish online the job titles of every member of staff and the salaries and expenses of senior officials.
- Give residents the power to instigate local referendums on any local issue and the power to veto excessive council tax increases.
- Greater financial autonomy to local government and community groups.

- Create Local Enterprise Partnerships (to replace Regional Development Agencies) – joint local authority-business bodies brought forward by local authorities to promote local economic development.
- Form plans to deliver a genuine and lasting Olympic legacy.
- Outright abolition of Home Improvement Packs.
- Create new trusts that would make it simpler for communities to provide homes for local people.
- A review of the Housing Revenue Account.

There is little more detail on these elements as yet with the exception of areas where consultation has taken place. These are unlikely to impact on the work of the democracy commission and are:

- The proposed power to instigate referendums to veto excessive council tax increases.
- Local Enterprise Partnerships.

## **2. The Coalition Agreement**

More indicators of the government's intentions in relation to communities and local government are set out in the Coalition agreement (*The Coalition: our programme for government*) as follows:

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.

- We will promote the radical devolution of power and greater financial autonomy to local government and community groups. This will include a review of local government finance.
- We will rapidly abolish Regional Spatial Strategies and return decision-making powers on housing and planning to local councils, including giving councils new powers to stop 'garden grabbing'.
- In the longer term, we will radically reform the planning system to give neighbourhoods far more ability to determine the shape of the places in which their inhabitants live, based on the principles set out in the Conservative Party publication *Open Source Planning*.
- We will abolish the unelected Infrastructure Planning Commission and replace it with an efficient and democratically accountable system that provides a fast-track process for major infrastructure projects.
- We will publish and present to Parliament a simple and consolidated national planning framework covering all forms of development and setting out national economic, environmental and social priorities.
- We will maintain the Green Belt, Sites of Special Scientific Interest (SSSIs) and other environmental protections, and create a new designation – similar to SSSIs – to protect green areas of particular importance to local communities.
- We will abolish the Government Office for London and consider the case for abolishing the remaining Government Offices.

- We will provide more protection against aggressive bailiffs and unreasonable charging orders, ensure that courts have the power to insist that repossession is always a last resort, and ban orders for sale on unsecured debts of less than £25,000.
- We will explore a range of measures to bring empty homes into use.
- We will promote shared ownership schemes and help social tenants and others to own or part-own their home.
- We will promote 'Home on the Farm' schemes that encourage farmers to convert existing buildings into affordable housing.
- We will create new trusts that will make it simpler for communities to provide homes for local people.
- We will phase out the ring-fencing of grants to local government and review the unfair Housing Revenue Account.
- We will freeze Council Tax in England for at least one year, and seek to freeze it for a further year, in partnership with local authorities.
- We will create directly elected mayors in the 12 largest English cities, subject to confirmatory referendums and full scrutiny by elected councillors.
- We will give councils a general power of competence.
- We will ban the use of powers in the Regulation of Investigatory Powers Act (RIPA) by councils, unless they are signed off by a magistrate and required for stopping serious crime.
- We will allow councils to return to the committee system, should they wish to.
- We will abolish the Standards Board regime.
- We will stop the restructuring of councils in Norfolk, Suffolk and Devon, and stop plans to force the regionalisation of the fire service.
- We will impose tougher rules to stop unfair competition by local authority newspapers.
- We will introduce new powers to help communities save local facilities and services threatened with closure, and give communities the right to bid to take over local state-run services.
- We will implement the Sustainable Communities Act, so that citizens know how taxpayers' money is spent in their area and have a greater say over how it is spent.
- We will cut local government inspection and abolish the Comprehensive Area Assessment.
- We will require continuous improvements to the energy efficiency of new housing.
- We will provide incentives for local authorities to deliver sustainable development, including for new homes and businesses.
- We will review the effectiveness of the raising of the stamp duty threshold for first-time buyers.
- We will give councillors the power to vote on large salary packages for unelected council officials.

### **3. Other bills in the Queen's Speech with implications for local government include:**

#### **Freedom (Great Repeal) Bill**

The Freedom (Great Repeal) Bill will further regulate the use of CCTV and restrict the use of the Regulation of Investigatory Powers (RIPA) Act by councils. It will also amend the Data Protection Act to limit the storage of internet and email records without good reason.

#### **Local Government Bill**

The Local Government Bill will block the creation of unitary councils in Exeter and Norwich.

#### **Public Bodies (Reform) Bill**

The government has outlined the details of the Public Bodies (Reform) Bill which it says will increase the transparency of decision-making and save £1bn per year by reducing the number of quangos and transferring their powers to local authorities or government departments.

The Bill is intended to provide Ministers with greater powers to abolish, merge or transfer the functions of quangos. It will also introduce new three-yearly reviews of whether quangos are necessary, using the test: 'Is the function technical; does it need to be politically impartial; and do facts need to be determined transparently?'

According to the government's figures, there are 766 non-departmental public bodies in England and Wales, which employ 110,000 staff and spend £46bn per year.

#### **Police Reform and Social Responsibility Bill**

The Police Reform and Social Responsibility Bill is intended to make the police service more accountable to local people, create a dedicated Border Police Force and develop new measures to tackle alcohol-related violence and disorder.

The main details from the Queen's Speech are unchanged from those in the coalition government's policy document and include:

- The creation of new directly-elected roles to hold the police to account and ensure that local policing activities meet the needs of the local community, help build confidence in the system and bring communities and the police together.
- Amendments to health and safety laws so that they do not stand in the way of "common sense" policing.
- The creation of a dedicated Border Police Force, as part of a refocused Serious Organised Crime Agency, to enhance national security, improve immigration controls, and crack down on the trafficking of people, weapons and drugs.
- Increasing the levels of collaboration between police forces to deal with serious crime and deliver better value for money.
- An overhaul of the Licensing Act to give local authorities and the police much stronger powers to remove licenses from, or refuse to grant licenses to, any premises that are causing problems. This will also ban the sale of alcohol below cost price and allow councils to charge more for late-night licenses to pay for additional policing.

- New powers for councils to shut down shops or bars persistently selling to children and an increase in the maximum fine for selling to children to £20,000.

### **Public Health Bill**

Amongst a variety of measures to reform the National Health Service will be the creation of a new public health service, led by the Department of Health, which is intended to weight health funding towards the most disadvantaged areas through the payment of a health premium and make it a requirement of local NHS organisations to improve the health of their residents, in conjunction with local authorities, voluntary organisations and local business to deliver this. Budgets will held at local level and local NHS organisations will be paid according the outcomes they achieve.

### **Academies Bill**

The Queen's Speech included the long-trailed Bill to make it easier for schools to gain academy status and leave local authority control.

The bill will:

- enable the Secretary of State to issue an “academy order” requiring the local authority to cease to maintain the school.
- remove the requirement to consult the local authority before opening an academy, thus simplifying and accelerating the process.
- require the consent of any existing (mainly church) foundations before a school applies to become an academy.
- deem academy trusts to be “exempt charities”.
- enable primary and special schools to become academies as well as secondary schools.
- ensure there is no change of religious character in the conversion process.
- retain the existing legal requirement for funding agreements to last at least seven years (the agreement can still provide for intervention or termination, if the academy fails).
- provide schools with the freedoms to deliver an excellent education in the way they see fit, within a broad framework where they are clearly accountable for the outcomes they deliver.
- enable all maintained schools to apply to become an Academy with schools judged ‘outstanding’ by Ofsted being pre-approved.
- Prevent the expansion of selective schools, although schools which already select or partially select pupils will be able to continue to do so.

## **4. Non-legislative items**

### **Social enterprise and mutuals**

The promised expansion of the role of the third sector and co-operatives does need legislation. The project will be co-ordinated by the Cabinet Office Minister, Francis Maude, who will work with the Minister for Civil Society, Treasury Ministers and government departments to identify where social enterprise, charities and co-operatives can have an enhanced role in public services.

Efforts will include opening up public services markets to allow social enterprise, charities and co-operatives to bid to run public services and an initiative to identify and

remove barriers to involvement. Public sector workers will be given a new right to form employee-owned co-operatives and bid to take over the services they deliver. The first measures to implement this policy are expected to be in place by the autumn.

### **Social care**

The government is to establish an independent commission to examine funding for long-term care, with the brief to ensure that there is a fair partnership between the state and the individual. The commission will report within a year.

In the meantime, the government will “take steps” to ensure that all councils offer personal budgets to older and disabled people, to encourage more preventative support to be provided and to enable more joint working between health and social services teams to allow more people to remain living at home.

## **5 Communities and Local Government Draft Structural Reform Plan**

Each government department has been asked to produce what is known as a structural reform plan. These set out what each department will do to implement the governments programme. The Department for Communities and Local Government published its plan in July 2010 and this includes the following objectives that are relevant to the work of the democracy commission:

1. Make localism and the Big Society part of everyday life – by decentralising power as far as possible

Decentralise power as far as possible through the Localism Bill:

- (a) give councils a general power of competence;
- (b) abolish the Standards Board;
- (c) give communities powers to save local facilities threatened with closure;
- (d) give communities the right to bid to take over local state-run services

1.2 Identify and implement measures to allow councils to return to the committee system, should they wish to, as part of the Localism Bill

1.3 Abolish the Government Office for London (GOL), consider the case for abolishing remaining Government Offices and work with BIS to scrap Regional Development Agencies. Work with local authorities and business to promote Shadow Local Enterprise Partnerships to accelerate the transition of functions from RDAs  
Consider abolition of remaining Government Offices as part of the Spending Review  
Terminate RDA functions (regional planning and housing functions)  
Transfer RDA functions (Business Link, Tourism, etc) to other bodies as appropriate  
Complete RDA and GOL projects (stand-alone ongoing major developments)  
Dispose of RDA and GOL assets (real estate assets, offices, etc)

Trust people to take control of the decisions that affect them by devolving power closer to neighbourhoods, increasing citizen participation, promoting community ownership, lifting inspection burdens on councils and removing regional government

Milestones set out in this document are:

Oct 2010  
Nov 2011  
Apr 2012

Clarify retention or abolition of remaining Government Offices  
Localism Bill passed  
Regional Development Agencies and Government Offices for  
London dissolved