

Chairman's Announcement

The Localism Act 2011

The Localism Act received Royal Assent on 15 November 2011. **Although the Act contains a number of important measures, most of these are not yet in force.**

The Act contains a number of *enabling provisions*. These give the Secretary of State power to introduce regulations and guidance that will make the measures 'live.' We anticipate that the key areas will come into force from April 2012 onwards.

The government has published a [Plain English Guide to the Localism Act](#) which summarises the main measures under four headings:

- new freedoms and flexibilities for local government
- new rights and powers for communities and individuals
- reform to make the planning system more democratic and more effective
- reform to ensure that decisions about housing are taken locally

We will provide a more detailed briefing on the implications for Wiltshire early in 2012. Although the Act is 497 pages long, the implications of some of the key measures will not be clear until the Secretary of State has introduced regulations and guidance. We will keep you updated on major developments.

A recent publication '[Localism in Action](#)' highlights emerging innovative practice in the South West which may become more commonplace with the implementation of the Act.

New freedoms and flexibilities for local government

- The 'general power of competence' gives local authorities more freedom to do things and this is welcomed. There are some restrictions on how the power can be used and limits on when it can be used to generate income. The Secretary of State can impose further restrictions so the extent of the power will become clearer over time.
- Ministers can order local authorities to pay fines for breaches of EU law in cases where they are deemed responsible for the failure to comply with EU law.
- The current standards framework and the national regulatory body, Standards for England, will be replaced with new local arrangements that will have implications for all councils. The council's monitoring officer will be writing to all town and parish councils about these changes.
- The Act clarifies the rules on 'predetermination' to reflect case law (so there is no change in practice). The rules of predetermination make sure councillors take part in discussions and make decisions with an open mind.
- Councils will have more freedom to offer business rate discounts, but the cost of discounts must be met locally.
- Other measures include some flexibility on governance arrangements, directly elected mayors, and items relating to London and major cities.

New rights and powers for communities and individuals

- The 'community right to challenge' gives groups, parish councils and employees the right to express an interest in running a local authority service. If the challenge is accepted the challenging organisation can bid as part of a procurement exercise.
- The 'community right to bid' gives community groups a chance to bid for assets listed as having 'community value.' Community groups that express an interest will have a limited amount of time to raise money to bid to buy the asset on the open market.
- If a council proposes to raise council tax by more than a threshold set by the Secretary of State it will have to hold a referendum to get approval from local voters.
- Councils will vote on and publish a statement of their policies on pay, including the pay of senior officers.

Reform to make the planning system more democratic and more effective

- The measures are wide ranging and include the abolition of regional strategies, a duty for public bodies to cooperate in planning matters, neighbourhood planning, the community right to build and a requirement for developers to consult communities before submitting certain planning applications.
- The Act contains some stronger planning enforcement powers, reform of the community infrastructure levy, reform of the way local plans are made. It also gives government ministers power to take decisions on nationally significant infrastructure projects.
- The November newsletter provided a link to a [government leaflet](#) on the proposals for neighbourhood planning.
- Further briefings on the changes to planning will be provided in the New Year and updated as regulations are made and implications become clearer.

Reform to ensure decisions about housing are taken locally

- Social housing allocations reform gives local authorities greater freedom over who qualifies to go on the waiting list. Authorities must still make sure social homes go to the most vulnerable and those in greatest need.
- Social housing tenure reform gives social landlords flexibility to grant fixed term tenancies for people entering social housing (not for current tenants).
- Reform of homelessness legislation allows local authorities to meet their homelessness duty by providing good quality private rented homes.
- Reform of council housing finance changes the way social housing is funded, which gives more local control.
- The National Home Swap scheme enables people who would like to swap their social home to access details of all other tenants who may be a suitable match.
- Reform of social housing regulation changes the way that social housing is regulated, abolishes the Tenant Services Authority and changes the way that complaints about social landlords are handled.
- The Act also abolishes the need for people selling their houses to provide Home Information Packs.