

The Localism Act

The Localism Act received Royal Assent in November 2011 after several months' parliamentary scrutiny of the original Localism Bill.

The act seeks to give more say to local authorities and to communities by passing them more decision making power from central government, where local issues are concerned. This means those working closest to local people can meet their needs. It keeps general powers at a central level so that local decisions are not at odds with national policy and aims to make local authorities more transparent and open when spending public money.

This guidance sheet does not contain information about every aspect of the Localism Act but those which are most relevant to communities.

For the purposes of this guidance sheet, the Localism Act will be referred to as the "Act" and will cover three areas.

- New rights and powers for communities
- Flexibilities and powers for local government
- Changes to the planning system

New rights and powers for communities

The Act passes a number of new rights to communities to give them greater freedom and ability to achieve things in the area in which they live.

Community Right to Challenge

This right enables community groups, parish councils and local authority employees the right to express an interest in taking over the running of a local authority service if they believe they can achieve this at the same or better standard to the same or better value.

In most cases local authorities must consider an expression of interest in providing the service by another body and where they accept this expression they must run a procurement exercise. Some services are excluded from the "right".

Parish and town (local) councils are not obliged to respond to expressions of interest from other groups but they may submit their own expressions of interest to principal authorities.

Looking Further

A plain English guide to the Localism Act can be accessed at <https://www.gov.uk/government/publications/localism-act-2011-overview>

This right came into force in June 2012 and applies only in England.

Right to Bid for Assets of Community Value

This right enables parish councils and community groups to nominate land or buildings to be included in a list of community assets kept by the principal authority.

Putting the property on the community asset list will trigger a process, where, in the event the property is put up for sale a community interest group will be able to express an interest in bidding to buy the land or building.

This includes land or buildings owned by anyone and may include anything which the group believes is an asset of value in the community. This may be a potential recreation ground, a pub, shop or post office or other community relevant building. It does not give a right to the community interest group to buy the property but to be notified of the owner's intention to sell, and the right to bid for its purchase.

Right to approve or veto excessive council tax rises

This right enables local people to decide whether to accept an "excessive council tax rise".

Principles will be determined annually by the Secretary of State and approved by the House of Commons. If calculations result in "excessive" council tax demands, local authorities will be required to hold a referendum with local electors who will be asked whether they approve or veto the rise.

At this stage, this right to approve or veto applies only in England and only to principal authorities.

Flexibilities and powers for local government

One of the aims of the act was to pass new powers to the most local of levels. This way those who are most affected by the decisions being made are immersed in them rather than remote from them.

The Code of Conduct

The Act abolished the existing Standards Board regime and introduced new laws surrounding the Code of Conduct. Since July 2012 councils have agreed their own codes, based on the seven Nolan principles of public life. These seven principles are Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership. Councillors must also register and disclose pecuniary and non-pecuniary interests.

Looking Further

More information on the Localism "Rights" can be found in guidance sheet 10.

The Code of Conduct is explored in full detail in guidance sheet 5.

General Power of Competence

Under the Act, local authorities and parish and town (local) councils who meet specified criteria may be provided with the power to do anything an individual may do, using the General Power of Competence.

At present, councils' powers may be restrictive. Having the General Power of Competence means that, as long as they do not break any other laws, an authority may do anything an individual is able to do. This means that whilst they cannot do something an individual is unable to do such as put someone in prison or tax someone; under this act, the powers are opened up to allow councils greater freedoms in what they are able to do to benefit their communities. An example of where the power could be used is setting up a company to trade.

Community Right to Reclaim Land

Where someone believes that land owned by public bodies is not being used, either at all, or to its potential, they have the right to request that it is brought back into beneficial use.

People can send a request to Communities and Local Government explaining why they believe that

- land or property is under-used or not used at all
- there are no plans in place
- the land should be disposed of to enable it to be brought back into use

Changes to the Planning System

The Act is intended to enhance the influence that individuals who are directly affected, have over planning decisions.

Regional strategies, set by central government, have been abolished in favour of a more local approach. In addition there is a focus on local authorities and other public bodies working together on planning issues.

Neighbourhood Planning

The Act gives communities the right to draw up a neighbourhood plan. Neighbourhood forums, or where they exist, local councils, can coordinate the views of residents, employees and businesses to have a say on development in the area.

Neighbourhood planning may not be used to veto development which is detailed in already established local plans but it can be used to influence

Looking Further

There is more information on the General Power of Competence in guidance sheet 3 on powers and duties.

where development (both residential and business) should go and how it should look. Planning authorities will support and advise communities which embark on a plan.

Before being adopted, neighbourhood plans have to pass an examination stage and a local referendum. The referendum will ask the community questions such as: Do you want the planning authority to use the neighbourhood plan for the area to help it decide planning applications in the neighbourhood area?

Where more than 50% vote in favour of the neighbourhood plan the planning authority will have a duty to make the plan.

Community Right to Build

This right enables community groups or parish councils to deliver what development the community wants. This may include affordable housing, community facilities and businesses.

Again, in order to proceed the proposals must have the agreement of more than 50% of local people that vote through a community referendum. In addition they must be in line with national policies and the local plan.

Community Infrastructure Levy (CIL)

The Act permits local authorities to charge a levy on new developments in the area. Charges are set by the principal authority depending on the size and nature of the development and can be used to support the infrastructure of any new developments that the council and community want. This could be things like roads or community facilities.

One of the aims of CIL is to benefit those communities that agree to new development.

Information

At the time of writing this guidance sheet, regulations and information continue to be released by government.

Communities and Local Government provide updates as and when new information is released and this guidance will be updated at intervals.

Looking Further

Advice and information on localism "rights" can be found at <http://mycommunityrights.org.uk>

Communities and Local Government provide updates to legislation and regulations at

<https://www.gov.uk/government/organisations/department-for-communities-and-local-government>