

CAB1431
FOR DECISION
WARD(S): ALL

CABINET

7 March 2007

THE SUSTAINABLE COMMUNITIES BILL

REPORT OF THE LEADER

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

Member of Parliament Nick Hurd is promoting a Private Member's Bill – the Sustainable Communities Bill. The Bill attracted cross-party support at its Second Reading Debate in the Commons last month. It is now being considered by a Committee of the House.

The Bill proposes that:

- the government should publish a yearly account of the amount of public money spent in each community, and explain what proportion of that spending is controlled by local people and what by Whitehall.
- Councils be given the power, after detailed consultation with local people, to work out their own alternative local spending plan - and the ability to allocate that public spending in their area in a different way.
- the government would reserve national priorities, only where such key public services need a clear national lead and national accountability, such as primary and secondary education and acute healthcare.

The Bill is attached at Appendix 1

Council's across England are being asked to support the principles of real devolution that the Bill sets out, which are consistent with the approach set out in the 2006 White paper "Strong and Prosperous Communities."

RECOMMENDATION:

That the Cabinet endorse the principles of the Bill, and make their support known to the Department of Communities & Local Government, the Local Government Association and the local Member of Parliament. Individual party Groups may also want to encourage their own representatives at the LGA to support the Bill's proposals.

OTHER CONSIDERATIONS:1 CORPORATE STRATEGY (RELEVANCE TO):

- 1.1 The approach the Bill takes would assist in our ability to respond to the needs of our local community, and allow local choice in accordance with priorities set out in our Community and Corporate Strategies.

2 RESOURCE IMPLICATIONS:

- 2.1 None directly. The provisions of the Bill would permit greater local choice in the allocation of existing resources.

BACKGROUND DOCUMENTS:

None

APPENDICES:

Appendix 1 - Sustainable Communities Bill.

Sustainable Communities Bill

A BILL

TO

Make provision for the Secretary of State to publish action plans in connection with promoting the sustainability of local communities and to enable local authorities and local communities to participate in the formulation and implementation of those plans; to require the Secretary of State to provide information on government spending in local authority areas to local authorities upon request; to make provision for local authorities to produce local spending plans; to require the Secretary of State to approve and implement those plans; and for connected purposes.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Sustainability of local communities

- (1) The principal aim of this Act is to promote the sustainability of local communities.
- (2) In this Act,
 - “sustainability of local communities” may be promoted by—
 - (a) protecting or reviving local economic activity, including shops and other commercial concerns, services, employment and locally based industry;
 - (b) protecting the local environment;
 - (c) decreasing the number of households affected by social exclusion and poverty;
 - (d) increasing participation in civic and political activity; and
 - (e) the prudent use of natural resources.
- (3) It shall be the duty of the Secretary of State to assist local authorities and principal councils in promoting the sustainability of local communities in the ways specified—
 - (a) in this Act, and
 - (b) by a local authority pursuant to section 5.
- (4) The Secretary of State shall publish, within 12 months of the passing of this Act, guidance to local authorities and principal councils on the effective promotion of the sustainability of local communities.

2 Plan published by Secretary of State

- (1) Within two years of the passing of this Act, the Secretary of State shall publish an action plan (“the plan”) which shall specify the ways in which he proposes to discharge his duty pursuant to section 1.
- (2) The plan shall include—
 - (a) the actions the Secretary of State will take within the planning period in order to promote the sustainability of local communities,

- (b) a programme of action for the promotion of the sustainability of local communities for the ten year period following the date of publication, and
 - (c) actions which are of benefit to—
 - (i) all local communities, and
 - (ii) specific local communities and limited geographical areas.
- (3) Prior to the preparation of the plan, the Secretary of State shall—
- (a) notify principal councils of his intention to prepare a plan, and
 - (b) invite principal councils to submit recommendations on the contents of such a plan, within a period of at least nine months from the date of notification under subsection (3)(a).
- (4) In preparing the plan, the Secretary of State shall—
- (a) have regard to the indicators set out in the Schedule,
 - (b) include in the plan those recommendations submitted by principal councils in accordance with subsection (3)(b) provided that they are not—
 - (i) incompatible with other recommendations made under subsection (3)(b) which he believes are more likely to promote sustainable communities, or
 - (ii) unnecessary, in his opinion, for the promotion of the sustainability of local communities.
- (5) The Secretary of State shall publish his reasons for any decision not to include a recommendation made under subsection (3)(b).
- (6) The plan shall specify the action to be taken by the Secretary of State to promote the sustainability of local communities.
- (7) The Secretary of State shall lay the plan before each House of Parliament.
- (8) It shall be the duty of the Secretary of State to make a motion for a resolution approving the plan in the House of Commons.
- (9) It shall be the duty of a Minister of the Crown to make a motion for a resolution approving the plan in the House of Lords.
- (10) Subject to section 3 it shall be a duty of the Secretary of State to implement the plan.
- (11) The Secretary of State shall, one year after the publication of the plan, and annually thereafter, lay before each House of Parliament a report on progress in implementing the plan, the outcomes arising from implementation, and any revisions to the plan he proposes to make.
- (12) The Secretary of State shall publish a revised plan—
- (a) if he considers it necessary in order to promote better the sustainability of local communities, or
 - (b) if he is requested to do so by a majority of principal councils within a region or area covered by the plan.

- (13) In publishing any revised plan, the Secretary of State shall comply with the provisions of subsections (2) to (5) above.

3 Representations by principal councils in connection with the action plan

- (1) Before submitting recommendations on a plan under section 2(3)(b) a principal council shall give notice of its intention to make recommendations and invite suggestions from residents in its area on measures necessary to promote the sustainability of the local community by—
- (a) publishing a notice on at least one occasion in a local newspaper or newspapers circulating throughout the principal council's area,
 - (b) publishing a notice on its website,
 - (c) giving notice to every parish or community council within its area and any other bodies which it believes may have a relevant interest in the matters listed in the Schedule, and
 - (d) taking reasonable steps to obtain the views of residents under 25 years old.
- (2) A principal council shall have regard, when preparing recommendations under subsection (1) above, to
- (a) any parish plan published by a parish or community council, and
 - (b) any guidance issued under subsection (3) below.
- (3) The Secretary of State shall, within nine months of the passage of this Act, publish a community participation report containing guidance for principal councils on how best to involve local communities and residents in the activities related to decisions made in pursuance of this Act.
- (4) Where a parish or community council, or a resident, within four months of a notice issued under subsection (1), suggests measures which—
- (a) would promote the sustainability of local communities,
 - (b) are reasonably practicable to implement,
 - (c) do not, in the opinion of the principal council, conflict with another suggestion which would better promote the sustainability of local communities,
 - (d) would not, in the opinion of the principal council, incur costs which would be disproportionate to the benefits which would be likely to arise from their implementation,

the principal council shall include such measures in its recommendations to the Secretary of State under section 2(3)(b).

4 Local communities allocation

- (1) A local authority may request from the Secretary of State the production of a local community allocation ("the allocation") in respect of its area.
- (2) For the purposes of this section, the allocation shall—
- (a) provide a breakdown of expenditure by government departments and agencies ("relevant expenditure") in the local authority area on services provided for the benefit of local communities over the planning period,

- (b) identify specific proposals to which funding has been allocated over the planning period, and
 - (c) not include sums to be allocated to services of primarily national significance, as defined by the Secretary of State under subsection (3) below.
- (3) The Secretary of State may by order define the services or types of services which are of primarily national significance for the purposes of subsection 2(c) and shall give reasons for all such definitions.
- (4) An order under subsection (3) above is to be made by statutory instrument.
- (5) No such order shall be made unless a draft of it has been laid before, and approved by a resolution of, each House of Parliament.
- (6) The Secretary of State shall provide the allocation to a local authority within three months of receipt of a request made under subsection (1).

5 Local spending plans

- (1) A local authority may, within six months of receipt of the allocation, prepare a local spending plan.
- (2) A local spending plan may set out a proposed breakdown for the allocation of relevant expenditure in the local authority's area over the planning period.
- (3) Prior to the preparation of a local spending plan, a local authority shall give notice of its intention to prepare a local spending plan and invite suggestions as to its contents by—
 - (a) publishing a notice on at least one occasion in a local newspaper or newspapers circulating throughout the local authority's area,
 - (b) publishing a notice on its website, and
 - (c) giving notice to every parish or community council within its area and any other bodies which it believes may have a relevant interest in the matters listed in the Schedule.
- (4) A local authority shall make the local communities allocation and the local spending plan available for inspection—
 - (a) at its principal offices, and
 - (b) on its website.
- (5) In preparing a local spending plan a local authority shall have regard to—
 - (a) the promotion of the sustainability of local communities,
 - (b) the action plan referred to in section 2, and
 - (c) any representations made in connection with the local spending plan in accordance with subsection (3).

6 Approval of local spending plans

- (1) A local authority shall submit its proposed local spending plan to the Secretary of State for approval.

- (2) The Secretary of State shall take a decision on a proposed local spending plan within three months of its receipt.
- (3) In considering the proposed local spending plan the Secretary of State shall have regard to—
 - (a) the action plan referred to in section 2, and
 - (b) the principal aims of this Act, as referred to in section 1.
- (4) The Secretary of State shall provide his decision on the local spending plan to the local authority and shall publish the reasons for making all amendments under subsection (3) at the same time.

7 Implementation of local spending plans

- (1) The Secretary of State shall implement approved local spending plans by allocating resources in accordance with its provisions.
- (2) Prior to implementing the local spending plan, the Secretary of State shall consult the local authority or local authorities to which the plan applies on the allocation of resources under the plan.
- (3) The Secretary of State shall have a duty to consult with other government departments and agencies which have responsibilities for aspects of the local spending plans in order to discuss the co-ordinated allocation of resources.
- (4) The Secretary of State shall monitor the implementation of local spending plans and publish in each financial year following the approval of the first local spending plan a report on the progress of implementation of each plan and any revisions to them that he proposes to make.
- (5) The Secretary of State shall lay the report referred to in subsection (4) before both Houses of Parliament.

8 Revision of local spending plans

- (1) The Secretary of State shall, upon request in accordance with section 4(1), produce a revised local communities allocation within six months of the publication of a new comprehensive spending review, and at any other time which he deems appropriate.
- (2) If a revised local communities allocation is produced in accordance with subsection (1), the local authority to which the allocation applies may revise its local spending plan, in accordance with the provisions of section 5(3).
- (3) Any revised local spending plan shall be approved by the Secretary of State in accordance with the provisions of section 6 and shall supersede any earlier such plan.

9 Wales

In its application to Wales, this Act shall have effect with these modifications—

- (a) for each reference to the Secretary of State there shall be substituted a reference to the National Assembly for Wales;

- (b) sections 2(7) (8) and (9) shall be omitted;
- (c) in section 2(11) for the words "lay before each House of Parliament" is substituted the word "publish"; and
- (d) in section 7(5) for the words "lay the report referred to in subsection (4) before both Houses of Parliament" are substituted the words "publish the report".

10 Northern Ireland

- (1) The Secretary of State shall extend the provisions of this Act to Northern Ireland, with such modifications as he considers appropriate, by Order in Council, in accordance with the Schedule to the Northern Ireland Act 2000 (c. 1).
- (2) This section shall not apply after the restoration of devolved government under the Northern Ireland Act 2006 (c. 17).

11 Interpretation

- (1) In this Act—
 - "local authority" means a district council, metropolitan district council, county borough council or a London borough council;
 - "planning period" means the period covered by the latest comprehensive spending review;
 - "poverty" means "living on a lower income" as defined by section 1 of the Warm Homes and Energy Conservation Act 2000 (c. 31);
 - "principal council" has the meaning as given in section 270 of the Local Government Act 1972 (c. 70);
 - "region" means a region specified in Schedule 1 of the Regional Development Agencies Act 1998 (c. 45); and
 - "social exclusion" has the meaning prescribed by the Secretary of State by order made by statutory instrument.
- (2) An order made under this section shall be laid before Parliament after being made and is subject to annulment in pursuance of a resolution of either House of Parliament.

12 Expenses

There shall be paid out of money provided by Parliament—

- (a) any sums to be paid by the Secretary of State for or in connection with the carrying out of his functions under this Act; and
- (b) any increase attributable to this Act in the sums which are payable out of money so provided under any other Act.

13 Short title, commencement and extent

- (1) This Act may be cited as the Sustainable Communities Act 2007.
- (2) Subject to subsections (3) and (4) below, this Act extends to England and Wales only.

- (3) This Act extends to Scotland only in respect of matters which are reserved in accordance with Schedule 5 to the Scotland Act 1998 (c. 46).
- (4) Section 10 of this Act extends to Northern Ireland and the remainder of the Act extends to Northern Ireland only in respect of matters which are reserved in accordance with Schedule 3 to the Northern Ireland Act 1998 (c. 47).
- (5) This Act shall come into force on the day on which it is passed.