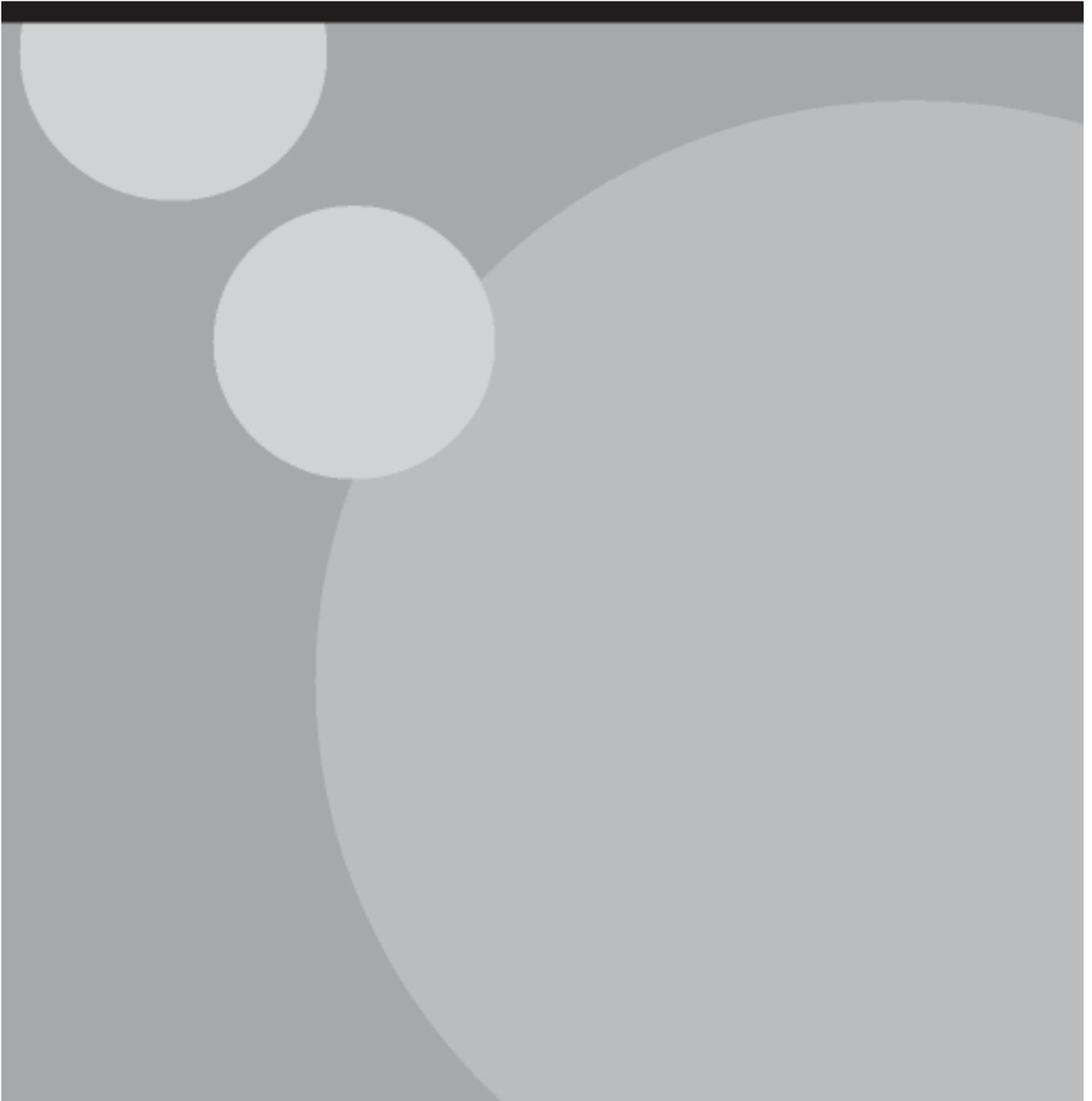




## A plain English guide to the Localism Act





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Department for Communities and Local Government  
Eland House Bressenden Place  
London  
SW1E 5DU  
Telephone: 030 3444 0000  
Website: [www.communities.gov.uk](http://www.communities.gov.uk)

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# Foreword

*“The time has come to disperse power more widely in Britain today.”*

The Prime Minister and the Deputy Prime Minister, Coalition Agreement, May 2010

For too long, central government has hoarded and concentrated power. Trying to improve people’s lives by imposing decisions, setting targets and demanding inspections from Whitehall simply doesn’t work. It creates bureaucracy. It leaves no room for adaptation to reflect local circumstances or innovation to deliver services more effectively and at lower cost. And it leaves people feeling ‘done to’ and imposed upon - the very opposite of the sense of participation and involvement on which a healthy democracy thrives.

I have long believed there is a better way of doing things. Eight years ago I wrote a book called *Total Politics* which set out the case for a huge shift in power - from central Whitehall, to local public servants, and from bureaucrats to communities and individuals.

Today, I am proud to be part of a Government putting this vision into practice. We think that the best means of strengthening society is not for central government to try and seize all the power and responsibility for itself. It is to help people and their locally elected representatives to achieve their own ambitions. This is the essence of the Big Society.

We have already begun to pass power back to where it belongs. We are cutting central targets on councils, easing the burden of inspection, and reducing red tape. We are breaking down the barriers that stop councils, local charities, social enterprises and voluntary groups getting things done for themselves.

But we can go a lot further by changing the law. The Localism Act sets out a series of measures with the potential to achieve a substantial and lasting shift in power away from central government and towards local people. They include: 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, and reform to ensure that decisions about housing are taken locally.

This document summarises each of the main ideas contained in the Act, and explains the overall difference that they will make.

I look forward to seeing how local people will use the rights and freedoms the Act offers to make a difference in their communities.

A handwritten signature in black ink that reads "Greg Clark". The signature is written in a cursive style, with the first name "Greg" and the last name "Clark" clearly legible.

**Rt Hon Greg Clark MP, Minister of State for Decentralisation**

## About this guide

This document describes the main measures of the Localism Act 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

This document is designed to give an overview only. You can read the Act and its explanatory notes in full, on the parliament website at the address below: <http://services.parliament.uk/Acts/2010-11/localism.html>

The document *Decentralisation and the Localism Act: an essential guide* also gives further background. It explains how the principles that underpin the Localism Act also inform other government policies:

<http://www.communities.gov.uk/decentralisationguide>

### **So when can we use the rights in the Act?**

Different parts of the Act will come into effect at different times. In many cases, the Government will need to set out further details, such as, the exact rules on how different community rights will work. In some cases, the Government will ask the public for their views. Parliament will also have the chance to look at the rules and vote on them before they are made final.

This can affect exactly when different parts of the Act come into force. The Government cannot give a cast-iron guarantee about timing. On current estimates (as of November 2011), however, we aim for many major measures to come into effect in April 2012. These include:

- The general power of competence for local authorities
- The community right to build
- Planning reforms including the changes to planning enforcement rules
- Reforms to social housing tenure and council housing finance

The Government will be issuing regular updates on likely start dates and public consultations on different parts of the Act. You can check for the latest information at [www.communities.gov.uk](http://www.communities.gov.uk).

# New freedoms and flexibility for local government

Local government plays a crucial role in the life of the nation. It is directly responsible for important public services, from street lighting, to social care, to libraries and leisure centres. It makes sure that other services work together effectively for the good of the community. And with councillors elected by and accountable to local people, local government provides democratic leadership.

The Government is committed to passing new powers and freedoms to town halls. We think that power should be exercised at the lowest practical level - close to the people who are affected by decisions, rather than distant from them. Local authorities can do their job best when they have genuine freedom to respond to what local people want, not what they are told to do by central government. In challenging financial times, this freedom is more important than ever, enabling local authorities to innovate and deliver better value for taxpayers' money.

The Localism Act contains a number of proposals to give local authorities new freedoms and flexibility.

## **General power of competence**

Local authorities' powers and responsibilities are defined by legislation. In simple terms, they can only do what the law says they can. Sometimes councils are wary of doing something new - even if they think it might be a good idea - because they are not sure whether they are allowed to in law, and are concerned about the possibility of being challenged in the courts.

The Government has turned this assumption upside down. Instead of being able to act only where the law says they can, local authorities will be freed to do anything - provided they do not break other laws.

The Localism Act includes a 'general power of competence'. It gives local authorities the legal capacity to do anything that an individual can do that is not specifically prohibited; they will not, for example, be able to impose new taxes, as an individual has no power to tax.

The new, general power gives councils more freedom to work together with others in new ways to drive down costs. It gives them increased confidence to do creative, innovative things to meet local people's needs. Councils have asked for this power because it will help them get on with the job. The general power of competence does not remove any duties from local authorities - just like individuals they will continue to need to comply with duties placed on them. The Act does, however, give the Secretary of State the power to remove unnecessary restrictions and limitations where there is a good case to do so, subject to safeguards designed to protect vital services.

Similar powers have been given to Fire and Rescue Authorities, Integrated Transport Authorities, Passenger Transport Executives, Combined Authorities and Economic Prosperity Boards.

### **Abolition of the Standards Board**

Councillors play a crucial role in local life. The people who elect them have the right to expect the highest standards of behaviour. The Government thinks it is important to have safeguards to prevent the abuse of power and misuse of public money. Currently, all local authorities must, by law, adopt a national code of conduct and a standards committee to oversee the behaviour of their councillors and receive complaints. A central body, the Standards Board for England, regulates each of these committees.

In practice, however, this system of safeguards is ineffective. It is too easy for people to put forward ill-founded complaints about councillors' conduct. Lengthy debates about petty complaints or deliberately harmful accusations can undermine people's faith in local democracy and put them off standing for public office.

Through the Localism Act, the Government has abolished the Standards Board regime. Instead, local authorities will draw up their own codes, and it will become a criminal offence for councillors to deliberately withhold or misrepresent a financial interest. This means that councils will not have to spend time and money investigating trivial complaints, while councillors involved in corruption and misconduct will face appropriately serious sanctions. This provides a more effective safeguard against unacceptable behaviour.

### **Clarifying the rules on predetermination**

In parallel with the abolition of the Standards Board, the Government has used the Localism Act to clarify the rules on 'predetermination'. These rules were developed to ensure that councillors came to council discussions - on, for example, planning applications - with an open mind. In practice, however, these rules had been interpreted in such a way as to reduce the quality of local debate and stifle valid discussion. In some cases councillors were warned off doing such things as campaigning, talking with constituents, or publicly expressing views on local issues, for fear of being accused of bias or facing legal challenge.

The Localism Act makes it clear that it is proper for councillors to play an active part in local discussions, and that they should not be liable to legal challenge as a result. This will help them better represent their constituents and enrich local democratic debate. People can elect their councillor confident in the knowledge that they will be able to act on the issues they care about and have campaigned on.

## **Greater local control over business rates**

One of the most important things that councils can do to improve local life is to support the local economy. The Localism Act gives councils more freedom to offer business rate discounts - to help attract firms, investment and jobs. Whilst councils would need to meet the cost of any discount from local resources, they may decide that the immediate cost of the discount is outweighed by the long-term benefit of attracting growth and jobs to their area.

## **Directly elected mayors**

Many major cities in the world outside of the UK have a strong and powerful executive mayor. The Government believes that elected mayors can provide democratically accountable strong leadership which is able to instigate real change for the benefit of our largest cities. Mayors will be clearly identifiable as the leader of the city and will have a unique mandate to govern as they will be directly elected by all local electors. People will know who is responsible for a decision and where the buck stops.

Elected mayors would help strengthen the governance of the city. With a four-year term of office, and a direct mandate to lead, the mayor would be able to focus on long-term strategic decisions - such as bringing together different agencies to make public services work better, and attracting jobs and investment to the city.

Using powers in the Act, the Government intends to trigger a referendum in the largest cities outside London, inviting local people to decide whether they want to have an elected mayor. Referendums are being planned for May 2012. For areas that vote in favour, mayoral elections will then be held shortly afterwards. People in other areas of the country will continue to be able to call for their own referendum on whether to have an elected mayor.

## **London**

The Localism Act passes greater powers over housing and regeneration to local democratically elected representatives in London. It empowers the democratically elected Mayor to carry on housing investment activities currently carried out by the Homes and Communities Agency, and the economic development work done by the London Development Agency.

## **Empowering cities and other local areas**

The Act also enables Ministers to transfer local public functions from central government and remote quangos to local authorities, combined authorities and economic prosperity boards - in order to improve local accountability or promote economic growth. Authorities will be encouraged to come forward with innovative proposals.

These new powers - included in the Act at the request of the Core Cities group, representing the largest cities in England outside of London - will enable us to empower our major cities and other local authorities to develop their areas, improve local services, and boost their local economy. This is likely to result in different places accessing different powers over different timescales.

### **Other freedoms for councils**

The Government thinks that there are currently too many centrally-set rules about how councils organise themselves and run their affairs. The Localism Act will remove several of these rules, freeing councils to go about their business in a way that suits their local circumstances.

For example - many councils choose to run area committees, bringing decision making closer to those affected. In the future, councils will have greater freedom over how they set up these area committees, so that committees can cover wider or larger geographic areas to suit what local people want and need.

Similarly, council overview and scrutiny committees play a crucial role in examining the work of local public bodies, helping make sure they offer a good service to residents. In the future, committees will have greater flexibility about how they carry out this scrutiny role.

Finally, the Act also offers real choice for councils and local people to decide how their council should be governed. This includes allowing councils, where they wish, to move away from an executive form of governance (i.e. a leader or a mayor) to a committee system. The Act also removes previous constraints around the timing of when councils can change their governance models, so they can take these decisions when it best suits the needs of the council and the people they represent.

## New rights and powers for communities

Greater freedom and flexibilities for local government are vital for achieving the shift in power the government wants to see. But, on their own, these measures will not be enough. Government alone does not make great places to live, people do. People who look out for their neighbours, who take pride in their street and get involved - from the retired teacher who volunteers in the village shop once a month, to the social entrepreneur who runs the nursery full time.

Until now, however, many people have found that their good ideas have been overlooked and they have little opportunity to get on and tackle problems in the way they want. Voluntary and community groups often find that their potential contribution is neglected, when, in fact, they carry out some of the most innovative and effective work in public services and we should be encouraging them to get more involved.

This Act passes significant new rights direct to communities and individuals, making it easier for them to get things done and achieve their ambitions for the place where they live.

### **Community right to challenge**

The Government thinks that innovation in public services can offer greater value for taxpayers' money and better results for local communities. The best councils are constantly on the look out for new and better ways to design and deliver services. Many recognise the potential of social enterprises and community groups to provide high-quality services at good value, and deliver services with and through them.

In some places, however, voluntary and community groups who have bright ideas find that they do not get a proper hearing. The Localism Act gives these groups, parish councils and local authority employees the right to express an interest in taking over the running of a local authority service. The local authority must consider and respond to this challenge; and where it accepts it, run a procurement exercise for the service in which the challenging organisation can bid. This makes it easier for local groups with good ideas to put them forward and drive improvement in local services.

### **Community right to bid (assets of community value)**

Every town, village or neighbourhood is home to buildings or amenities that play a vital role in local life. They might include community centres, libraries, swimming pools, village shops, markets or pubs. Local life would not be the same without them, and if they are closed or sold into private use, it can be a real loss to the community.

In many places across the country, when local amenities have been threatened with sale or closure, community groups have taken them over. In some cases, however, community groups who have attempted to take assets over have faced significant challenges. They often need more time to organise a bid and raise money than the private enterprises bidding against them.

The Localism Act requires local authorities to maintain a list of assets of community value which have been nominated by the local community. When listed assets come up for sale or change of ownership, the Act then gives community groups the time to develop a bid and raise the money to bid to buy the asset when it comes on the open market. This will help local communities keep much-loved sites in public use and part of local life.

### **Right to approve or veto excessive council tax rises**

Local government derives a significant proportion of its revenue from council tax. The money raised through council tax is spent on supporting vital local services. But it is important that council tax is set at a rate which has the support of local people, and that their taxes are carefully managed by authorities on their behalf.

Previously, central government had the power to 'cap' council tax rises. If Ministers thought that local authorities were increasing taxes excessively they could stop them doing so. But we think that local people should decide whether to accept an excessive council tax increase.

The Localism Act therefore gives local communities the power to decide. The Secretary of State will determine a limit for council tax increases which has to be approved by the House of Commons. If an authority proposes to raise taxes above this limit they will have to hold a referendum to get approval for this from local voters who will be asked to approve or to veto the rise. This means that local authorities will need to convince local voters, rather than central government of the case for excessive rises in council taxes.

### **Transparency over senior council officials' pay**

The Government thinks that taxpayers should be able to access information about how public money is spent on their behalf. It is, ultimately, their money. Transparency is also a powerful preventative against waste and duplication: when councillors and senior officials know that their spending decisions will be subjected to public scrutiny, they will be even more motivated to make every penny of public money work as hard as it possibly can. In line with these principles, under the terms of the Localism Act, councillors will need to vote on and publish a statement of their policies on pay. This will include the salaries of senior officials working in local authorities, but also the lowest paid employees. This will help local people understand how public money is being spent in their area, and to hold the Town Hall to account.

## **Getting rid of fines and charges for rubbish collection**

The Government is committed both to recycling and to reducing the amount of rubbish we produce as a nation in the first place. We think that the best way to do this is by encouraging people to do the right thing, not through fines and punishments. The Climate Change Act 2008 gave councils the ability to charge families for overfilling their bin and to introduce extra tariffs for taking away household waste. In the Localism Act, we have removed this ability. Separately, the Government is also providing extra support to councils who wish to offer their residents weekly bin collections.

## Reform to make the planning system clearer, more democratic and more effective

The planning system helps decide who can build what, where and how. It makes sure that buildings and structures that the country needs (including homes, offices, schools, hospitals, roads, train lines, power stations, water pipes, reservoirs and more) get built in the right place and to the right standards. A good planning system is essential for the economy, environment and society.

There are, however, some significant flaws in the planning system that this Government inherited. Planning did not give members of the public enough influence over decisions that make a big difference to their lives. Too often, power was exercised by people who were not directly affected by the decisions they were taking. This meant, understandably, that people often resented what they saw as decisions and plans being foisted on them. The result was a confrontational and adversarial system where many applications end up being fought over.

The Localism Act contains provisions to make the planning system clearer, more democratic, and more effective.

### **Abolition of regional strategies**

'Regional strategies' were first required by law in 2004. These strategies set out where new development needs to take place in each part of the country. They include housing targets for different areas, set by central government. Local communities had relatively limited opportunities to influence the strategies.

This centrally-driven approach to development is bureaucratic and undemocratic. Rather than helping get new houses built, it has had the effect of making people feel put upon and less likely to welcome new development.

The Secretary of State wrote to local authorities in 2010 to tell them that the Government intended to abolish regional strategies. The Localism Act will enable us to do this.

### **Duty to cooperate**

In many cases there are very strong reasons for neighbouring local authorities, or groups of authorities, to work together on planning issues in the interests of all their local residents. This might include working together on environmental issues (like flooding), public transport networks (such as trams), or major new retail parks.

In the past, regional strategies formed an unaccountable bureaucratic layer on top of local government. Instead, the Government thinks that local authorities and other public bodies should work together on planning issues in ways that reflect genuine shared interests and opportunities to make common cause. The duty requires local authorities and other public bodies to work together on planning issues.

## **Neighbourhood planning**

Instead of local people being told what to do, the Government thinks that local communities should have genuine opportunities to influence the future of the places where they live. The Act introduces a new right for communities to draw up a neighbourhood plan.

Neighbourhood planning will allow communities, both residents, employees and business, to come together through a local parish council or neighbourhood forum and say where they think new houses, businesses and shops should go – and what they should look like.

These plans can be very simple and concise, or go into considerable detail where people want. Local communities will be able to use neighbourhood planning to grant full or outline planning permission in areas where they most want to see new homes and businesses, making it easier and quicker for development to go ahead.

Provided a neighbourhood development plan or order is in line with national planning policy, with the strategic vision for the wider area set by the local authority, and with other legal requirements, local people will be able to vote on it in a referendum. If the plan is approved by a majority of those who vote, then the local authority will bring it into force.

Local planning authorities will be required to provide technical advice and support as neighbourhoods draw up their proposals. The Government is funding sources of help and advice for communities.<sup>1</sup> This will help people take advantage of the opportunity to exercise influence over decisions that make a big difference to their lives.

## **Community right to build**

As part of neighbourhood planning, the Act gives groups of local people the power to deliver the development that their local community want. They may wish to build new homes, businesses, shops, playgrounds or meeting halls. A community organisation, formed by members of the local community, will be able to bring forward development proposals which, providing they meet

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<sup>1</sup> More information and details of support can be found at <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1985896.pdf>

minimum criteria and can demonstrate local support through a referendum, will be able to go ahead without requiring a separate traditional planning application. The benefits of the development, such as new affordable housing or profits made from letting the homes, will stay within the community, and be managed for the benefit of the community. The Government will also fund sources of help and advice for communities who want to bring forward development under the community right to build.

### **Requirement to consult communities before submitting certain planning applications**

To further strengthen the role of local communities in planning, the Act introduces a new requirement for developers to consult local communities before submitting planning applications for certain developments. This gives local people a chance to comment when there is still genuine scope to make changes to proposals.

### **Strengthening enforcement rules**

For people to have a real sense that the planning system is working for them, they need to know that the rules they draw up will be respected. The Localism Act will strengthen planning authorities' powers to tackle abuses of the planning system, such as deliberately concealing new developments.

### **Reforming the community infrastructure levy**

As well as being able to influence planning decisions, local people should be able to feel the benefits of new development in their neighbourhood. Local authorities are allowed to require developers to pay a levy when they build new houses, businesses or shops. The money raised must go to support new infrastructure - such as roads and schools. This is called the community infrastructure levy.

The Localism Act will change the levy to make it more flexible. It allows some of the money raised to be spent on things other than infrastructure. It will give local authorities greater freedom in setting the rate that developers should pay. And crucially, the Act gives the Government the power to require that some of the money raised from the levy go directly to the neighbourhoods where development takes place. This will help ensure that the people who say 'yes' to new development feel the benefit of that decision.

### **Reform the way local plans are made**

Local planning authorities play a crucial role in local life, setting a vision, in consultation with local people, about what their area should look like in the future. The plans local authorities draw up set out where new buildings, shops, businesses and infrastructure need to go, and what they should look like.

The Government thinks it is important to give local planning authorities greater freedom to get on with this important job without undue interference from central government. The Localism Act will limit the discretion of planning inspectors to insert their own wording into local plans. It also ensures that rather than focussing on reporting progress in making plans to central government, authorities focus on reporting progress to local communities.

### **Nationally significant infrastructure projects**

Some planning decisions are so important to our overall economy and society that they can only be taken at a national level. These include decisions on nationally significant infrastructure projects such as major train lines and power stations. Previously these decisions lay in the hands of an unelected public body, called the Infrastructure Planning Commission which is not directly accountable to the public. The Government thinks that these important decisions should be taken by Government ministers, who are democratically accountable to the public. The Localism Act abolishes the Infrastructure Planning Commission and restores its responsibility for taking decisions to Government ministers. It also ensures the national policy statements, which will be used to guide decisions by ministers, can be voted on by Parliament. Ministers intend to make sure that major planning decisions are made under the new arrangements at least as quickly as under the previous system.

## Reform to ensure that decisions about housing are taken locally

Social housing provides around eight million people in England with a decent home at a rent lower than they would be able to find in the private rented sector. It can make an immense difference to their health, happiness and quality of life.

But the previous social housing system had some fundamental flaws. The rules were too rigidly set by central government, so that councils found it hard to adapt and meet local needs. Social landlords didn't have enough discretion over how they managed their housing in the best interests of their local community. And in some cases social housing rules actually trapped people in difficult circumstances - making it hard to move for work, for example - with the result that the system was failing the very people it was designed to help.

The Localism Act reforms mean more decisions about housing are taken locally, and make the system fairer and more effective.

### **Social housing allocations reform**

Previously almost anyone could apply to live in social housing, whether they need it or not. As social housing is in great demand and priority is rightly given to those most in need, many applicants have no realistic prospect of ever receiving a social home. The previous arrangements encouraged false expectations and large waiting lists.

The Act gives local authorities greater freedom to set their own policies about who should qualify to go on the waiting list for social housing in their area. This means that they are now able, if they wish, to prevent people who have no need of social housing from joining the waiting list. Authorities are still obliged to ensure that social homes go to the most vulnerable in society and those who need it most.

### **Social housing tenure reform**

Under the previous system social landlords were normally only able to grant lifetime tenancies. Sometimes this meant that people acquire a social home at a moment of crisis in their life, and continue to live there long after their need for it has passed. Meanwhile there are people waiting for a social home who face much more difficult circumstances. This was unfair, and represented a poor use of valuable public resources.

The Government has protected the security and rights of existing social housing tenants, including when they move to another social rented home. However, provisions in the Localism Act allow for more flexible arrangements for people entering social housing in the future. Social landlords will now be able to grant tenancies for a fixed length of time. The minimum length

of tenancy will be two years in exceptional circumstances with five years or more being the norm. There is no upper limit on the length of tenancy. Councils can still offer lifetime tenancies if they wish. More flexible tenancies will allow social landlords to manage their social homes more effectively and fairly, and deliver better results for local communities.

### **Reform of homelessness legislation**

People who experience a homelessness crisis need somewhere suitable to live. Councils have a duty to house people who are eligible, in priority need and unintentionally homeless; and this duty will remain in place. Central Government will also continue to fund support and advice to prevent homelessness and rough sleeping.

However, under the previous rules, people who became homeless were able to refuse offers of accommodation in the private rented sector, and insist that they should be housed in expensive temporary accommodation until a long-term social home becomes available. This meant that in some circumstances people in acute, but short-term housing need, acquired a social home for life, although they may not have needed one, while other people who needed a social home in the longer term were left waiting.

The Localism Act lets local authorities meet their homelessness duty by providing good quality private rented homes. This option could provide an appropriate solution for people experiencing a homelessness crisis, at the same time as freeing up social homes for people in real need on the waiting list.

### **Reform of council housing finance**

The Localism Act changes the way social housing is funded to pass more power to a local level. Previously, local authorities collected rent from their social tenants and then sent the money to central government. Central government collected all the money raised this way into a single pot. Local authorities were then paid a sum out of the pot each year for the upkeep, renovation and repair of social homes.

Now, instead of having to send the money raised by rent to central government and wait to see each year what share they get allocated back, councils will be able to keep the rent and use it locally to maintain their social homes. This will give them a more predictable and stable basis to plan for the long term.

### **National home swap scheme**

There are lots of reasons why people move house; to take up a new job, to be nearer to family members who need care, to give a young family more space to grow or to find a smaller, more manageable home in later life. Evidence suggests, however, that it is less straightforward for people who live in social

housing to move than for other people. Fewer than one in twenty households move within the social housing sector each year, for example, compared to almost one in four private renters.

The Localism Act paves the way for a national home swap scheme. This will enable people who would like to swap their social home to access details of all other tenants who may be a suitable match. This has the potential to enable social tenants to find a home that better meets their needs and to exercise greater control over their lives.

### **Reform of social housing regulation**

The Act reforms the way that social housing is regulated. The Act provides social tenants with stronger tools to hold their landlords to account. Landlords will be expected to support tenant panels - or similar bodies - in order to give tenants the opportunity to carefully examine the services being offered. The Act also abolishes the Tenant Services Authority and transfers its remaining functions to the Homes and Communities Agency.

The Act also changes the way that complaints about social landlords are handled. Currently, there are two separate ombudsmen (the Local Government Ombudsman and the Independent Housing Ombudsman) handling social tenants' complaints about their landlord. In the future, a single watchdog (the Independent Housing Ombudsman) specialising in complaints about social housing will ensure greater consistency across the sector.

### **Abolition of Home Information Packs**

Home Information Packs were first introduced in 2007. Anyone putting their home on the market had to have one. They included information about the property, including local authority searches and title documents. They often cost well over a hundred pounds to produce. The Government thinks that Home Information Packs imposed extra costs on individuals and families hoping to sell their home, without offering any significant benefits. The Government suspended the requirement for Home Information Packs in May 2010. Since then, homesellers have only had to provide an Energy Performance Certificate, showing the energy efficiency of their house. They have been able to get on with marketing their house without having to spend hundreds of pounds upfront. The Localism Act has repealed once and for all the original laws that called for Home Information Packs.

# The overall effect of the Act

Taken together, the measures in the Act mean:

## **New freedoms and flexibilities for local government**

The Act:

- gives local authorities everywhere the formal legal ability and greater confidence to get on with the job of responding to what local people want
- cuts red tape to enable councillors everywhere to play a full and active part in local life without fear of legal challenge
- encourages a new generation of powerful leaders with the potential to raise the profile of English cities, strengthen local democracy and boost economic growth
- enables ministers to transfer functions to public authorities in cities in order to harness their potential to drive growth and prosperity
- reforms the governance of London so that more power lies in the hands of elected representatives who are democratically accountable to London's citizens

## **New rights and powers for local communities**

The Act:

- makes it easier for local people to take over the amenities they love and keep them part of local life
- ensures that local social enterprises, volunteers and community groups with a bright idea for improving local services get a chance to change how things are done
- enables local residents to call local authorities to account for the careful management of taxpayers' money

## **Reform to make the planning system clearer, more democratic and more effective**

The Act:

- places significantly more influence in the hands of local people over issues that make a big difference to their lives
- provides appropriate support and recognition to communities who welcome new development
- reduces red tape, making it easier for authorities to get on with the job of working with local people to draw up a vision for their area's future

- reinforces the democratic nature of the planning system - passing power from bodies not directly answerable to the public, to democratically accountable ministers

### **Reform to ensure that decisions about housing are taken locally**

The Act:

- enables local authorities to make their own decisions to adapt housing provision to local needs, and make the system fairer and more effective
- gives local authorities more control over the funding of social housing, helping them to plan for the long term
- gives people who live in social housing new ways of holding their landlords to account, and make it easier for them to move

This is, in sum, an Act with the potential to effect a significant change in national life, passing power to a local level, creating space for local authorities to lead and innovate, and giving people the opportunity to take control of decisions that matter to them.

Together with other, wider Government reforms, putting the Act into practice will represent a major milestone towards the transfer of power and control set out in the coalition agreement.

You can find updates about various consultations and guidance about the use of the powers in the Localism Act and about the Department for Communities and Local Government's wider work, at the address below:

<http://www.communities.gov.uk/corporate/whatsnew>