

# Department for Communities and Local Government Draft Structural Reform Plan

July 2010

# Structural Reform Plans

Structural Reform Plans are the key tool of the Coalition Government for making departments accountable for the implementation of the reforms set out in the Coalition Agreement. They replace the old, top-down systems of targets and central micromanagement.

The reforms set out in each department's SRP are designed to turn government on its head, taking power away from Whitehall and putting it into the hands of people and communities. Once these reforms are in place, people themselves will have the power to improve our country and our public services, through the mechanisms of local democratic accountability, competition, choice, and social action.

The reform plans set out in this document are consistent with and form part of the Department's contribution to the Spending Review. All departmental spending is subject to the Spending Review.

We have adopted a cautious view of the timescales for delivering all legislative measures due to the unpredictability of pressures on Parliamentary time.

# The ambition

**Our ambition is localism. Real change driven by local people working together in their communities.**

## What are we doing?

The Department for Communities and Local Government is leading, on behalf of Government, a radical shift of power from Westminster to local people. We will make local decisions a normal part of everyday life, giving people more say, choice and ownership of their local facilities and services. By increasing town hall transparency, people will know what's going on, who's spending their money and on what – 'show me the money'. People want more for less in their services and we will free up councils to make that happen. People will have a reason to vote for councils and mayors. Individuals, families, local communities and particularly neighbourhoods, the building blocks of localism, will be re-energised and empowered, and innovation and ideas will flow from local people and enterprises.

## Why are we doing it?

We want to do this because we want people to have control over the decisions that affect them – we trust people to take charge of their lives. The default is no longer Big Government but Big Society, where family and social responsibility plus civil liberties create a stronger society. A rebalanced and smaller state will improve people's lives, encourage innovation to flourish and draw people together in civic pride. All the Department's priorities are about advancing both the Big Society and localism.

## How will we do it?

We are refocusing central government by removing barriers that get in the way of localism and only doing the exceptional things where central government is better placed to act. We have already started to reform the Department and public services in line with localism principles – abolishing Home Information Packs and housing targets and helping local authorities to prevent garden grabbing. We are showing the way with the Localism Bill and working across Government and with the frontline. We are passing new powers to communities, taking forward new rights to bid to run services and to save facilities at risk of closure, and working with the Office for Civil Society to support community organisers to help communities take control of their own destinies. We understand that individuals, families, local communities and local government are key to ensuring localism and galvanising the Big Society. Wherever possible we will nudge people in the right direction, giving rewards and incentives and maintaining choice so that changes are driven by local people and local neighbourhoods, and we will ensure social justice, taking extra steps where necessary to empower disadvantaged communities.

# Departmental priorities

- 1. Make localism and the Big Society part of everyday life – by decentralising power as far as possible**
  - 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
- 2. Make localism and the Big Society part of everyday life – by meeting people’s housing aspirations**
  - Meet people’s housing aspirations by streamlining and speeding up the planning system, providing local authorities with strong and transparent incentives to facilitate housing growth, as well as making the provision of social housing more flexible
- 3. Make localism and the Big Society part of everyday life – by putting communities in charge of planning**
  - Give local people and communities far more ability to determine the shape of the places in which they live by radically reforming the planning system and offering incentives for development and growth
- 4. Make localism and the Big Society part of everyday life – by increasing accountability**
  - Reinvigorate local accountability, democracy and participation by freeing local government from central and regional control, decentralising power, providing greater freedoms and flexibilities to local government and simplifying and deregulating local government finance
- 5. Make localism and the Big Society part of everyday life – by letting people see how their money is being spent**
  - Let local people know who is spending their money and what it is being spent on by publishing financial and performance data online – ‘show me the money’

**1. Make localism and the Big Society part of everyday life – by decentralising power as far as possible (1 /2)**

*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*

<b>ACTIONS</b>	<b>Start</b>	<b>End</b>
<b>1.1 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</b>	Nov 2010	Nov 2011
<b>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</b>	Nov 2010	Nov 2011
<b>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</b>		
i. Consider abolition of remaining Government Offices as part of the Spending Review	Jun 2010	Oct 2010
ii. Terminate RDA functions (regional planning and housing functions)	Jul 2010	Apr 2012
iii. Transfer RDA functions (Business Link, Tourism, etc) to other bodies as appropriate	Jul 2010	Apr 2012
iv. Complete RDA and GOL projects (stand-alone ongoing major developments)	Jul 2010	Apr 2012
v. Dispose of RDA and GOL assets (real estate assets, offices, etc)	Oct 2011	Apr 2012

<b>MILESTONES</b>		
A. Clarify retention or abolition of remaining Government Offices		Oct 2010
B. Localism Bill passed		Nov 2011
C. Regional Development Agencies and Government Offices for London dissolved		Apr 2012

**1. Make localism and the Big Society part of everyday life – by decentralising power as far as possible (2/2)**

*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*

**ACTIONS**

	<b>Start</b>	<b>End</b>
<b>1.4 Empower authorities and businesses to come together and form new partnerships</b>		
i. Develop and consult on functions, governance, funding arrangements and responsibilities of Local Enterprise Partnerships including possible transfer of functions from Regional Development Agencies	Jun 2010	Sep 2010
ii. Respond to proposals and facilitate establishment of Local Enterprise Partnerships, working with local authorities	Sep 2010	Sep 2011
iii. Introduce legislation as appropriate through the Localism Bill	Nov 2010	Nov 2011
<b>1.5 Stop the restructuring of councils in Norfolk, Suffolk and Devon through the Local Government Bill</b>	May 2010	Oct 2010
<b>1.6 Develop options to give neighbourhoods and local authorities the powers and freedoms to lead economic growth and regeneration (including through the Regional Growth Fund) as part of the Spending Review</b>	Jun 2010	Oct 2010

**MILESTONES**

D. Local Government Bill passed	Oct 2010	
E. Localism Bill passed	Nov 2011	
F. Local Enterprise Partnerships in place with Regional Development Agency functions transferred in full	Apr 2012	

**2. Make localism and the Big Society part of everyday life – by meeting people’s housing aspirations (1 / 2)**

*Meet people’s housing aspirations by streamlining and speeding up the planning system, providing local authorities with strong and transparent incentives to facilitate housing growth, as well as making the provision of social housing more flexible*

<b>ACTIONS</b>	<b>Start</b>	<b>End</b>
<b>2.1 Meet people’s housing aspirations by streamlining and speeding up the planning system, through the Localism Bill, including: (a) creating local housing trusts; (b) abolishing Home Information Packs; (c) scrapping ‘pay as you throw’ rubbish schemes</b>	Nov 2010	Nov 2011
<b>2.2 Provide strong and transparent incentives for local authorities to build new homes</b>		
i. Design scheme working with HM Treasury	Jun 2010	
ii. Announce scheme	Jul 2010	
<b>2.3 Increase mobility among social housing tenants to make social housing more flexible</b>		
i. Set out plans for improved home-swap systems and wider mobility reforms	Oct 2010	
ii. Introduce legislation as appropriate through the Localism Bill	Nov 2010	Nov 2011
<b>2.4 Develop and put in place options to help social tenants own or part-own their home</b>	Jun 2010	Apr 2011

<b>MILESTONES</b>		
A. First Local Authorities receive incentives to build new homes		Apr 2011
B. Measures in place to help social tenants own or part-own their home		Apr 2011
C. Localism Bill passed		Nov 2011

**2. Make localism and the Big Society part of everyday life – by meeting people’s housing aspirations (2/2)**

*Meet people’s housing aspirations by streamlining and speeding up the planning system, providing local authorities with strong and transparent incentives to facilitate housing growth, as well as making the provision of social housing more flexible*

<b>ACTIONS</b>	<b>Start</b>	<b>End</b>
<b>2.5 Develop options to bring more empty homes back into use, working with the local authorities and housing associations and some of the property owners, neighbours and others affected</b>	Jul 2010	Dec 2010
<b>2.6 Promote ‘Home on the Farm’ schemes that encourage farmers to convert existing disused or underused buildings into affordable housing</b>	Sep 2010	Jun 2011
<b>2.7 Develop options to ensure continuous improvements in energy efficiency of new housing looking specifically at zero-carbon homes and non-domestic buildings</b>	Jun 2010	Dec 2010
<b>2.8 Develop options for the Housing Revenue Account, including voluntary arrangements, through the Localism Bill</b>	Mar 2010	Nov 2011
i. Publish consultation response	Jul 2010	
ii. Consider options for implementation, including through the Localism Bill	Jul 2010	Nov 2010

<b>MILESTONES</b>		
D. First promotions of ‘Home on the Farm’ schemes		Sep 2010
E. Review of options to bring more empty homes back into use		Dec 2010
F. Review of zero-carbon homes and non-domestic buildings		Dec 2010
G. Localism Bill passed		Nov 2011



**3. Make localism and the Big Society part of everyday life – by putting communities in charge of planning**

*Give local people and communities far more ability to determine the shape of the places in which they live by radically reforming the planning system and offering incentives for development and growth*

<b>ACTIONS</b>	<b>Start</b>	<b>End</b>
<b>3.1 Replace the Infrastructure Planning Commission with an efficient and democratically accountable system that provides a fast-track process for major infrastructure projects, through the Localism Bill</b>	Nov 2010	Nov 2011
<b>3.2 Radically reform the planning system to give neighbourhoods much greater 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”. Local Planning Authorities able to begin working in new ways on local plans in advance of the passing of the Localism Bill</b> i. Create a presumption in favour of sustainable development	Nov 2010	Nov 2011
<b>3.3 Maintain the Green Belt, Sites of Special Scientific Interest and other environmental protections, and create a new designation to protect green areas of particular importance to local communities, as part of the Localism Bill</b>	Nov 2010	Nov 2011
<b>3.4 Abolish Regional Strategies and return decision-making to local councils</b> i. Revoke Regional Strategies with immediate effect ii. Abolish requirement for Regional Strategies through the Localism Bill	Jun 2010 Nov 2010	Nov 2011

<b>MILESTONES</b>		
A. Localism Bill passed		Nov 2011
B. New national planning policy in place based on “Open Source Planning”		Apr 2012
C. Infrastructure Planning Commission abolished, Major Infrastructure Programme Unit established in the Planning Inspectorate		Apr 2012

**4. Make localism and the Big Society part of everyday life – by increasing accountability (1 / 2)**

*Reinvigorate local accountability, democracy and participation by freeing local government from central and regional control, decentralising power, providing greater freedoms and flexibilities to local government and simplifying and deregulating local government finance*

<b>ACTIONS</b>	<b>Start</b>	<b>End</b>
<b>4.1 Legislate through the Localism Bill for directly elected Mayors to enable the largest 12 cities in England to have Mayors from 2012, subject to confirmatory referenda and full scrutiny by elected councillors</b>	Nov 2010	Nov 2011
i. Develop options for transition to Mayors	Nov 2010	Nov 2011
<b>4.2 Move from local authorities primarily reporting to central government to local authorities that report to local people</b>		
i. Abolish Comprehensive Area Assessment and cut local government inspection	Jun 2010	Oct 2010
ii. Identify exceptional areas where central government needs to retain an oversight role	Aug 2010	Oct 2010
iii. Set out initial expectations for local authorities regarding data transparency	Jun 2010	
iv. Design and implement a new approach with less reporting burdens on local government and greater transparency for local people	Oct 2010	Apr 2011
<b>4.3 Develop options to free local government from central control, including guidance, rules and funding mechanisms imposed by central departments</b>	Jun 2010	Oct 2010
<b>4.4 Develop options and put in place measures to make better use of existing public buildings, land and capital investment in public building projects</b>	Jul 2010	Jul 2011

<b>MILESTONES</b>		
A. Abolish Comprehensive Area Assessment		Oct 2010
B. All local authorities to have complied with spending data transparency requirements		Jan 2011
C. Measures in place to make better use of existing public buildings, land and capital investment in public building projects		Jul 2011
D. Localism Bill passed		Nov 2011
E. First Mayors elected in each of England's 12 largest cities (subject to confirmatory referendums and full scrutiny by elected councillors)		May 2012

**4. Make localism and the Big Society part of everyday life – by increasing accountability (2/2)**

*Reinvigorate local accountability, democracy and participation by freeing local government from central and regional control, decentralising power, providing greater freedoms and flexibilities to local government and simplifying and deregulating local government finance*

<b>ACTIONS</b>	<b>Start</b>	<b>End</b>
<b>4.5 Promote the radical devolution of power and greater financial autonomy to local government and community groups</b>		
i. Phase out ring-fencing of government grants to local government	Jun 2010	From Oct 2010
ii. Freeze Council Tax in England for at least one year, and seek to freeze it for a further year, in partnership with local authorities	Apr 2011 Apr 2012	Mar 2012 Mar 2013
iii. Provide for a veto to stop plans to impose supplementary business rates on firms if a majority of firms affected don't give consent	Nov 2010	Nov 2011
iv. Consider the most appropriate framework for local incentives for local authorities to support growth, including allowing local authorities to reinvest the benefits of growth into local communities	Jun 2010	Apr 2012
v. Local Government resource review	Summer 2011	2012
<b>4.6 Give residents the power to instigate local referendums on any local issue and to veto excessive council tax increases, through the Localism Bill</b>	Nov 2010	Nov 2011

<b>MILESTONES</b>		
F. Start phasing out ring-fencing of Government grants		Oct 2010
G. Freeze Council Tax in England		Apr 2011
H. Localism Bill passed		Nov 2011
I. Local Government resource review published		2012

**5. Make localism and the Big Society part of everyday life – by letting people see how their money is being spent (1 /2)**

*Let local people know who is spending their money and what it is being spent on by publishing financial and performance data online – ‘show me the money’*

<b>ACTIONS</b>	<b>Start</b>	<b>End</b>
<b>5.1 Publish all local authority performance data held by central government, working with the Cabinet Office</b>		
i. Publish data on local authorities held by central government departments	Sep 2010	
ii. Encourage data use by inviting range of third parties to create different online analysis	Jun 2010	Dec 2010
<b>5.2 Release datasets held by the Department for Communities and Local Government to make councils and other bodies more accountable</b>	Sep 2010	
<b>5.3 Prepare local authorities for publication, in an open and standardised format, of items of spending, contracts and tenders above £500</b>	Jun 2010	Dec 2010
<b>5.4 Prepare local authorities for publication, in an open and standardised format, of job titles and salaries above SCS Pay Band 1</b>	Jun 2010	Dec 2010
<b>5.5 Run public awareness campaign to encourage use and put pressure on opaque councils, including public demonstration of transparency of other local authorities</b>	Jul 2010	Dec 2010
<b>MILESTONES</b>		
A. Online discussion forum on local authority publication of expenditure data launched	Jun 2010	
B. Datasets held by the Department for Communities and Local Government published	Sep 2010	
C. First sets of local authority performance data held by central government published	Sep 2010	
D. Code of Practice on £500 payments, contracts and tenders published	Dec 2010	
E. All items of local authority spending, contracts and tenders above £500, and job titles and salaries above SCS Pay Band 1, published in an open and standardised format	Jan 2011	

**5. Make localism and the Big Society part of everyday life – by letting people see how their money is being spent (2/2)**

*Let local people know who is spending their money and what it is being spent on by publishing financial and performance data online – ‘show me the money’*

<b>ACTIONS</b>	<b>Start</b>	<b>End</b>
<b>5.6 Amend Code of Recommended Practice on Local Authority Publicity to stop unfair competition by local authority newspapers</b>	Nov 2010	
<b>5.7 Date set from which local authorities can submit proposals from communities about how to improve the wellbeing of their area, under the Sustainable Communities Act</b>	Jan 2011	
<b>5.8 Work with the Home Office to review the Regulation of Investigatory Powers Act (RIPA) to stop councils unnecessarily using surveillance powers, banning local authority use of powers unless signed off by a magistrate</b>	Jun 2010	Oct 2010
<b>5.9 Give councillors the power to vote on large salary packages for unelected council officials</b>	Nov 2010	Nov 2011

<b>MILESTONES</b>		
F. Review of local authority use of the Regulation of Investigatory Powers Act completed		Oct 2010
G. Code of Practice in place to stop unfair competition by local authority newspapers		Nov 2010
H. Localism Bill passed		Nov 2011