Business Plan 2012-2015 Department for Communities and Local Government

31 May 2012

Annexes

The 2012 Business Plan, and its reporting through the No.10 website, have been streamlined to focus on the Government's structural reforms. These annexes contain information on cross–Government priorities, additional reform actions and actions from the 2011 business plan that are now complete. The Government will not report systematically on the No.10 website against the activities listed in these annexes, although overall progress will be reported through other publications, such as the Annual Report and Accounts, the Budget and a progress report on sustainable development.

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Annex A) Cross-government priorities

The Government is committed to driving progress of a number of shared priorities across different departments. DCLG is contributing to these priorities through the commitments listed below.

Where set out, numbers in brackets refer to the position of actions in the Structural Reform Plan section of the Business Plan.

1. Growth

- Empower directly elected mayors (1.2)
- Shift power over funding away from the centre and establish community budgets (1.3)
- Turn around the lives of 120,000 troubled families (1.4)
- Reinvigorate local accountability, democracy and participation (2.1)
- Disband the Audit Commission and refocus local audit on helping local people to hold councils and local public bodies to account for local spending decisions (2.2)
- Make local authorities accountable for health and safety decisions and offering citizens a route for redress where events have been cancelled by a local authority (2.3)
- Decentralise power to the fire and rescue authorities (2.7)
- Support delivery of economic growth in Enterprise Zones (3.1)
- Support work of Local Enterprise Partnerships (3.2)
- Deliver the Department's specific commitment on City Deals (3.4)
- Support High Streets and Town Centres (3.5)
- Publish details of support for locally planned large scale developments (4.4)
- Release of Homes and Communities Agency land-holdings (4.6)
- Empower local authorities and voluntary and community sector to prevent and tackle homelessness (4.7)
- Radically reform the planning system (5.1)
- Consultation on proposal to allow reconsideration of planning obligations agreed prior to April 2010 where development is stalled January 2013

- In line with the Red Tape Challenge, bring forward, and then implement, ambitious plans to reduce and reform the stock of statutory instruments and regulations for which the department has overall responsibility. To include:
 - o Housing and Construction theme plans announced by July 2012
 - Planning administration theme plans announced by December 2012

2. Social mobility

To support the social mobility and aspirations of tenants and communities through the following business plan activities:

- Turn around the lives of 120,000 troubled families (1.4)
- Report on progress against the Housing Strategy (4.1)
- 'Get Britain Building' investment fund implemented (4.2)
- Tackle Empty Homes (4.3)
- Support growth by accelerating the release of the Homes and Communities Agency's land-holdings (4.6)
- Empower local authorities and voluntary and community sector to prevent and tackle homelessness, removing barriers to effective local action (4.7)
- Reform of the community infrastructure levy (5.4)

3. Open Public Services

- Consult on detailed proposals to make it easier to establish new town and parish councils with consultation launch in June and close in September (2.1 (ii))
- Ask the Local Government Association and the National Association of Local Councils to help us develop model schemes for town and parish councils by September 2012 (2.1 (iii))

4. Red Tape Challenge

In line with the Red Tape Challenge, bring forward, and then implement, ambitious plans to reduce and reform the stock of statutory instruments and regulations for which the department has overall responsibility. To include:

- Housing and Construction theme plans announced by July 2012
- Planning administration theme plans announced by December 2012

5. Civil Society Compact

Ensure compliance with the Civil Society Compact, including collaborative working with the civil society sector on the following business plan activities:

- Shift power over funding away from the centre and establish community budgets (1.3)
- Turn around the lives of 120,000 troubled families (1.4)
- Empower local authorities and voluntary and community sector to prevent and tackle homelessness, removing barriers to effective local action (4.7)

6. Sustainable development

- Our goal is the radical redistribution of power and funding from government to local people, transforming public services and ensuring that all communities are equipped and incentivised to grow sustainably and prosper. Sustainable growth means making economic, environmental and social progress for this and future generations.
- DCLG will:
 - Assess and manage environmental social and economic impacts and opportunities in its policy development and decision making
 - o Implement the Department's plan to deliver on the Greening Government Commitments, supplying quarterly information and contributing to an annual report on progress.
 - Procure from small businesses with the aspiration that 25% of contracts should be awarded to small/medium sized enterprises
 - o Deliver weekly waste collection support scheme

• Sustainable Development Indicators

o Government will be consulting on sustainable development indicators which will include and indicator representing DCLG's contribution to sustainable development.

7. Efficiency

Ensure support for Efficiency and Reform, including efficiency measures to delivery savings and broader reforms to public services, including

- Negotiate with directly elected mayors the additional powers to be transferred to their cities, and establish arrangements such as a cities cabinet, for them to have a voice at the heart of Government. (1.2(i))
- Deliver proposals for the future development of Community Budgets, in phase 2 of the Local Government Resource Review (1.3(i))
- Commence Payment by Results scheme for troubled families commenced in first local authorities (1.4(ii))
- Pass the regulations associated with the Localism Act 2011 to give communities the right to bid to save local facilities threatened with closure and to bid to take over local state-run services (2.1(i))
- Complete outsourcing of Audit Commission's in-house audit practice to private sector (2.2(ii))
- Consult on review of Use Classes Order and implementation of new regulations (5.2(i))
- Publish proposals to simplify the information required to support planning applications, particularly at the outline stage (including consultation) (5.3(i))
- Pass the regulations associated with the Localism Act 2011 to ensure that the Community Infrastructure Levy incentivise neighbourhoods to go for growth (5.4(i))

The Departmental Efficiency part of the Business Plan (in Section C) sets out operational spending, by category, as well as specific actions to improve operational efficiency in 2012/13.

Annex B) Additional departmental actions

This section contains additional significant actions that will be taken forward but which are not considered to be major structural reforms for the purpose of the 2012 Business Plan.

The Department's objectives are in bold; the actions the Department will undertake are shown by the bullet points under each objective.

Hold technical consultation on funding allocations; draft, lay and commence secondary legislation for localised schemes; agree arrangements for administrative funding with DWP and pay grant; support local authority development and delivery of schemes, including IT changes; ensure data sharing arrangements in place with DWP and HMRC, by December 2012

Award the first grants under the coastal communities fund by October 2012

Actions Relating to the Green Deal

- Developing (with Department for Department of Energy and Climate Change) a joint accreditation framework for Energy Assessors and Green Deal advisers by October 2012
- Work with partners to prepare advice for local authorities and social landlords to assist them in delivering energy efficiency improvements in their areas, including the role of local authorities in encouraging and facilitating local and community action to reduce carbon emissions by October 2012

Annex C) Completed structural reform actions

Completed actions from the 2011 Business Plan are shown below against each Coalition priority.

Decentralise power as far as possible

Provide greater freedoms and flexibilities to local government

- Prepare to phase out ring-fencing of government revenue grants to local government, working with other departments and HM Treasury to identify ring fences that could be removed as part of the Spending Review
- End the ring-fencing of government revenue grants to local government, except for the dedicated schools grant, the public health grant (and the counter terrorism grant)
- List of government grants to local government published at the time of the local government finance settlement for 2011/12
- Freeze Council Tax in England for one year in partnership with local authorities
- Deliver proposals for long-term change to how local authorities are funded through the local government resource review (Phase 1) including local retention of business rates, giving councils greater freedoms, while retaining fairness in the local government finance system

Create directly elected Mayors to enable the largest 12 cities in England to have Mayors from 2012, subject to referendums and full scrutiny by elected councillors

- Develop proposals for directly elected Mayors, including significant transfer of power to areas that choose a Mayoral system
- Introduce the Localism Bill to establish directly elected Mayors
- Consultation on Mayoral offer (including powers)
- Make an announcement on Mayoral powers

Remove reporting burdens on local government from central departments

- Abolish Comprehensive Area Assessment and cut local government inspection
- Identify exceptional areas where central government needs to retain an oversight role

- Develop and publish a single, reduced, list of the data requirements placed on local government by central departments, working with other departments and local government
- Develop and implement a process for managing new data requirements from departments, and from their associated inspectorates and regulators

Shift power over funding away from the centre and establish community budgets for public service delivery, working with other government departments and with places

- Create the conditions for all places to pool and align locally controlled public budgets, and review centrally-funded support for public sector improvement
- First phase of Community Budgets launched in 16 places as part of a national effort to help families with multiple problems

Make better use of existing public buildings, land and capital investment in public building projects

- Assess supply of capital and assets and potential demand
- Work with 11 pathfinders to identify and tackle barriers, including those which prevent decentralisation of power, and develop implementation plans
- Position statement in place for all public sector assets and capital
- Publish data showing the location of public sector assets

Reduce the burdens and regulations on local authorities and reform best value guidance to help voluntary and community sector organisations compete for local authority contracts

- Develop an audit of statutory duties collated from across Whitehall, by making an initial list available online
- Run and online consultation on the initial list and then collate responses
- Stimulate diversity of supply and encourage open competition by revoking *Handling of workforce matters in contracting* and the *Code of practice on workforce matters in local authority service contracts*
- Revoke the statutory guidance, *Creating Strong, Safe and Prosperous Communities*, which is linked to the old best value regime
- Consult on and publish new light touch best value guidance for local authorities, to provide clarity on the scope for authorities to consider social value in their functions and clearer expectations for voluntary and community organisations in their relationship with local authorities

Reinvigorate local accountability, democracy and participation

Reinvigorate local accountability, democracy and participation

- Draft legislation to:
 - a) Give councils a general power of competence
 - b) Give residents the power to veto excessive Council Tax increases
 - c) Give local businesses the power to veto supplementary business rates
 - d) Increase transparency and local democratic accountability over decisions on local senior pay
 - e) Scrap bin taxes
 - f) Abolish the Standards Board regime
 - g) Allow councils to return to the committee system should they wish to
- Introduce the Localism Bill to introduce these measures
- Develop and put in place a targeted programme of support to help communities understand their new rights and support take-up of community ownership of assets and services

Empower local authorities and businesses to come together and form new local enterprise partnerships, providing support to accelerate their establishment, working with the Department for Business, Innovation and Skills

- Develop proposals for the functions, governance and responsibilities of local enterprise partnerships as part of a local growth White Paper
- Outline proposals for local enterprise partnerships received and considered
- Feedback given on outline proposals for local enterprise partnerships
- Respond to proposals and facilitate the establishment of local enterprise partnerships, including working with those local authorities and businesses who were not immediately ready to establish their local enterprise partnership boards to enable them to move forward with their local enterprise partnership proposals
- Work with each new local enterprise partnership to enable them to establish their roles and functions

Put in place a regional Growth Fund to encourage private sector enterprise and support to help places currently reliant on the public sector to make the transition to sustainable private sector-led growth, working with HM Treasury and the Department for Business, Innovation and Skills

· Run a second bidding round for the Regional Growth Fund and announce successful bids

Work with BIS and HMT to introduce Enterprise Zones with real opportunities for growth

- First 11 local enterprise partnerships to host Enterprise Zones announced
- Work with Department for Business, Innovation and Skills and HM Treasury to work up detail of first round of Enterprise Zones with local enterprise partnerships
- Run bidding process for, assess and announce successful bids for Wave 2 Enterprise Zones

Work with the Department for Business, Innovation and Skills to arrange the closure of the Regional Development Agencies (RDA) and related transition process

- Evaluate RDA functions and assets, as part of local growth White Paper
- Start disposal of RDA assets, and transfer (or ceasing) of functions
- Ensure transition plans are in place for individual RDAs
- Introduce the Public Bodies Bill and the Localism Bill, working with the Cabinet Office and the Department for Business, Innovation and Skills
- Complete RDA projects (stand-alone ongoing major programmes) or transfer to other bodies
- Manage out RDA functions, assets, commitments and liabilities in an orderly fashion or transfer to other bodies
- RDA functions transferred or ceased in full

Abolish the Government Office for London

- Work with the Disposal Service Agency to dispose of assets as appropriate
- Complete the transfer of historic data and IT infrastructure across Government Office Network wide IT infrastructure
- Vacate the Government Office for London building and return it to the landlord

Abolish the remaining Government Offices

- Develop proposals on transfer of ongoing functions, working with affected departments
- Announce the intention in principle to abolish the remaining Government Offices
- Determine the scope of residual ongoing functions and complete required transfers
- · Consult unions and staff
- Clarify and confirm the abolition of the remaining Government Offices

- Redeploy or release Government Office staff
- Vacate Government Offices buildings for reassignment or disposal by DCLG estates management

Stop the proposed restructuring of local government in Norfolk, Suffolk and Devon

• Introduce legislation through the Local Government Bill

Disband the Audit Commission and refocus local audit on helping local people to hold councils and local public bodies to account for local spending decisions

Proposals for a new local audit regime published

Make local authorities accountable for health and safety decisions and offering citizens a route for redress where events have been cancelled by a local authority

- Develop and introduce legislation so that officials who ban events on health and safety grounds should put their reasons in writing. The Local Government Ombudsman may award a settlement where it is not possible to reinstate an event
- Develop and introduce legislation so that local authorities conduct an internal review of all refusals on the grounds of health and safety

Stop councils unnecessarily using surveillance powers, banning local authority use of powers unless signed off by a magistrate, and work with the Home Office in its review of counter-terrorism and security legislation

• Review of local authority use of the Regulation of Investigatory Powers Act 2000 completed

Decide on proposals submitted under the Sustainable Communities Act, so that local authorities take forward ideas from communities on how to improve their area

- Decide on proposals already submitted under the Sustainable Communities Act and publish related steps the Government will take to enable local authorities to achieve what they want to see happen
- Set a date by which government will invite councils to submit more ideas
- Local authorities know when they will be asked to consult their communities and submit proposals under the Sustainable Communities Act

Working with the Home Office and the Cabinet Office, develop a cross-government approach on integration and tackling all forms of extremism

have on local

Increase transparency by letting people see how their money is being spent

Work with the Cabinet Office and other government departments to publish local data held by central government

- Prepare departments for the publication, in an open and standardised format, of the data they hold on local authorities
- Publish central government datasets on local spending included in the second Local Spending Report consultation document
- Datasets included in the proposal for a second Local Spending Report published on data.gov.uk
- Data on local authorities held by central government departments published

Release datasets held by the Department for Communities and Local Government to make councils and other bodies more accountable

- Prepare a comprehensive list of data held by DCLG and supporting bodies to be published in an open and standardised format
- Proposals published to manage the data legacy of abolished DCLG bodies
- Publish data in line with public sector transparency, moving progressively to fully open formats
- Support the Cabinet Office in its reviews of government use of data

Help local authorities publish, in an open and standardised format, (a) items of spending, contracts and tenders above £500 and (b) job titles and salaries for senior council officers

- Work with local authorities to support publication
- Require publication by a Code of Practice on council transparency, through the Local Government, Planning and Land Act 1980 or other legislation
- Local authority spending, contracts and tenders above £500, and job titles and salaries for senior council officers, published in an open and standardised format
- Work with the Cabinet Office to ensure that councils are included in any measures introduced to drive a culture of transparency in the public sector

Encourage citizens, developers, public and private sector organisations to access and use local data and information

- Support interest in the transparency of local government spending, working with the national and local media
- Work with the Local Public Data Panel to offer prizes to support local transparency

- Run events and take other actions, including 'hack' and developer days, to encourage new uses of data and test out new applications on the public; support developers to create innovative websites and to identify what information or data the public would prioritise
- Support local authorities in improving data literacy, awareness and skills

Amend the Code of Recommended Practice on Local Authority Publicity to stop unfair competition by local authority publications

- Develop a revised Publicity Code
- Consult on the revised Publicity Code
- Analyse consultation responses and lay the revised Code before Parliament
- Code of Practice in force to stop unfair competition by local authority newspapers

Work with local authorities to make spending data more comparable, and explore ways to identify spending to the voluntary and community sector

Meet people's housing aspirations

Publish a policy paper setting out the Government's plans for reform of social housing, including affordable rent, tenure reform, social housing allocations, mobility, homelessness, overcrowding and council house finance

- Publish a policy paper on reform of social housing
- Introduce the Localism Bill
- Publish a summary of consultation responses and a draft Direction on Tenure
- Issue a formal consultation on a draft Direction on Tenure
- Issue the direction on tenure in final form

Introduce an 'Affordable Rent' scheme, which will contribute towards up to 170,000 new affordable homes for the spending review period. This will allow housing associations to provide new homes at a rent between social and local market rents and with a tenancy agreement that will be reviewed after an agreed period of time

- i Publish with the Homes and Communities Agency details on how the funding will work
- ii. Prepare for launch of the 'Affordable Rent' scheme
- iii. Affordable rent scheme implemented
- iv. An Affordable Homes Programme signed off by the Homes and Communities Agency Board and Ministers

Abolish Home Information Packs

- Home Information Packs suspended by Order
- Draft legislation to abolish Home Information Packs
- Introduce the Localism Bill to abolish Home Information Packs

Meet people's housing aspirations through a new Community Right to Build, allowing local communities to take forward their own plans for development without the need for a planning application, and promoting 'Home on the Farm' schemes that encourage farmers to convert existing disused or underused buildings into affordable housing for their communities

- Draft legislation for the Community Right to Build
- First promotion of 'Home on the Farm' schemes

• Through engagement on Community Right to Build and during the passage of the Localism Bill, continue to encourage farmers to participate to deliver homes or other community facilities for the benefit of their community

Reform the Housing Revenue Account

- Consult on reforms to the Housing Revenue Account
- Agree details of reform ('self-financing') as part of the Spending Review
- Publish a summary of consultation responses and supporting documents
- Publish detailed proposals for reform of the Housing Revenue Account, including when it will come into force, so that local authorities can plan for the changes
- Introduce the Localism Bill to reform the Housing Revenue Account
- Seek up-to-date data from local authorities on their council housing stock
- Consult on proposed final Housing Revenue Account reform settlements for each local authority
- Housing Revenue Account determinations finalised and published, giving details of financing valuations and payments required for reform to take place
- First payments made setting up the new self-financing Housing Revenue Account system

Increase mobility among social housing tenants to make social housing more flexible

- Develop an operational Standard for home swap providers to support better mutual exchange services
- Introduce the Localism Bill to give a direction to the regulator on a mutual exchange Standard
- Publish a draft indicative direction on mobility
- Issue a formal consultation on a draft direction on mutual exchange
- Issue the mutual exchange in final form

Provide strong incentives for local authorities to build new homes in the form of a new homes bonus and reform of the community infrastructure levy

- Develop the mechanics of the scheme, including a split of grant between tiers; developing an enhancement for affordable homes; data collection; distributional impact; and unit or reward
- Consult on the proposal to implement the New Homes Bonus scheme
- Analyse consultation findings and resolve outstanding issues

- New Homes Bonus Scheme commences and take forward implementation phase
- First local authorities receive incentives to build new homes
- Consult on Community Infrastructure Levy proposals

Develop a strategy to bring more empty homes back into use, working with local authorities, housing associations and some of the property owners, neighbours and others affected

- Invite interested parties (including local authorities and registered social landlords) to submit views through the Homes and Communities Agency's 'Maximising the Use of Empty homes' online debate
- Consider the Homes and Communities Agency's analysis of responses and develop plans to bring more empty homes into use
- Consult, as part of the New Homes Bonus consultation, on provision to reward local authorities for bringing empty homes back into use
- · Proposals published to bring more empty homes back into use
- Work with the Homes and Communities Agency to develop a programme for empty homes
- Work with the Homes and Communities to complete the expressions of interest phase for empty homes funding
- · Run a formal bidding round
- Include a section on empty homes in the wider housing strategy

Ensure continuous improvements in energy efficiency of new buildings looking specifically at zero-carbon homes and non-domestic buildings

- Develop plans to revise Part L (conservation of fuel and power) of the Building Regulations, increasing the energy efficiency requirements for new buildings, and lay before Parliament
- Evidence gathered on carbon compliance levels for new homes by the Zero Carbon Hub, an independent body funded by the government and by industry supporting the delivery of zero-carbon homes
- Part L of Building Regulations brought into force
- Quarterly data published on energy efficiency of new homes and number of homes achieving Code for Sustainable Buildings
- Update published on next steps for zero-carbon homes and non-domestic buildings
- Consult on revisions to Part L 2013 of the Building Regulations

Reduce the number of arm's-length bodies by abolition and transfer of functions, including for the National Tenant Voice and Tenant Services Authority

- · Review framework for social housing regulation and Tenant Services Authority
- Introduce primary legislation to abolish the Tenant Services Authority
- Abolish the National Tenant Voice
- Transfer regulatory functions to the Homes and Communities Agency
- Prepare for transition of staff and functions from Tenant Services Authority to the Homes and Communities Agency and abolition of Tenant Services Authority

Support growth by accelerating the release of the Homes and Communities Agency's land-holdings

- Announce first tranche of sites released by the Homes and Communities Agency
- Publish an enhanced Homes and Communities land release strategy

Scope and start to pilot elements of the land auctions approach on publicly owned land during 2011-12 in order to test the land disposal elements of the model and report to ministers on early findings

Empower local authorities and voluntary and community sector to prevent and tackle homelessness, removing barriers to effective local action

- Publish the first annual rough sleeping count using new methodology
- Establish a Ministerial Working Group on Homelessness and publish a cross government document on tackling homelessness with support from local government and the voluntary sector
- Make changes through the Localism Bill to give local authorities greater freedom to make better use of good-quality private sector accommodation to provide suitable accommodation for households accepted as homeless

Publish a housing strategy setting out the overall approach to housing policy, including how we are supporting an increase in the supply and quality of new private and social housing, helping those seeking a home of their own, whether to rent or buy

Introduce FirstBuy scheme to help first-time buyers

- Finalise details of equity loan scheme to help 10,000 first time buyers to buy a new build property from participating house builders over 2011-12 and 2012-13
- Homes and Communities Agency invite proposals from house builders who will co-fund the equity loan

	Confirmation of house builder allocations
•	First completed homes marketed

Put communities in charge of planning

Radically reform the planning system to give neighbourhoods much greater ability to shape the places in which they live, based on the principles set out in the publication 'Open Source Planning'

- Amend planning policy to give councils the power to stop unwanted 'garden grabbing'
- Develop proposals to streamline the process of producing local authority plans, including removing unnecessary requirements and stopping Planning Inspectors from re-writing plans
- Develop proposals to empower local communities, including the business community, to bring forward neighbourhood plans through the structure of either a parish council or a newly-formed neighbourhood forum
- Funding in place to help town and parish councils to develop neighbourhood plans
- Introduce the Localism Bill to give local authorities these flexibilities and communities these powers
- Work with a small number of places to develop neighbourhood plans using existing powers
- Empower local communities to bring forward their own plans for their neighbourhoods

Publish and present to Parliament a radically simplified and consolidated national planning framework covering all forms of development

- Produce and publish the national planning framework with an ambition to complete by End 2011
- Introduce as part of the national planning framework a strong presumption in favour of sustainable development

Abolish Regional Strategies and return decision-making to local councils

- Draft legislation to repeal the legal underpinning of Regional Strategies and introduce a duty to co-operate on local authorities with other local authorities and public and statutory bodies
- Introduce the Localism Bill to repeal Regional Strategies and introduce a duty to co-operate on local authorities

Replace the Infrastructure Planning Commission with an efficient and democratically accountable system that provides a fast-track process for major infrastructure projects

- Establish a programme to abolish the Infrastructure Planning Commission and establish a new Major Infrastructure Planning Unit within the Planning Inspectorate
- Introduce the Localism Bill

- Energy National Policy Statements designated, working with the Department for Energy and Climate Change
- Publish the Government's workplan on major infrastructure planning reform
- Infrastructure Planning Commission abolished and relevant functions transferred into the Major Infrastructure Planning Unit, established in the Planning Inspectorate

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

- Develop proposals for a new designation to protect green areas of particular importance to local communities
- Publish new designation to protect green areas of particular importance to local communities

Consultation on review of Use Classes Order and implementation of new regulations

- Consultation on proposals to support housing growth by the removal of unnecessary planning application processes to allow for easy change of use from business to residential use
- A wider review of the Use Classes Order and associated permitted development, working with partners to promote more imaginative use by local communities and authorities of existing deregulatory powers in respect of waiving the need for planning applications and implementation of new regulations

Consultation on streamlining information requirements and implementation of new regulations

• Publish proposals to simplify the information required to support planning applications, particularly at the outline stage processing of planning applications