
STATUTORY INSTRUMENTS

2024 No.

URBAN REGENERATION, ENGLAND

**THE LOCAL GOVERNMENT, PLANNING AND LAND ACT 1980
(LOCALLY-LED URBAN DEVELOPMENT CORPORATION LOCAL
AUTHORITY OVERSIGHT) REGULATIONS 2024**

Made - - - - *****

Coming into force in accordance with regulation 1

The Secretary of State makes the following Regulations in exercise of the powers conferred by section 135A of the Local Government, Planning and Land Act 1980(a).

In accordance with section 135A(5) of that Act, a draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Local Government, Planning and Land Act 1980 (Locally-led Urban Development Corporation Local Authority Oversight) Regulations 2024 and come into force on the day after the day on which they were made.

(2) In these Regulations “the 1980 Act” means the Local Government, Planning and Land Act 1980.

Functions of oversight authority

2.—(1) In relation to a locally-led urban development corporation, the oversight authority for the corporation is to exercise the functions of the Secretary of State under the following provisions of the 1980 Act—

- (a) section 138(1) and (2) (restrictions on powers);
- (b) paragraph 6 of Schedule 26 (members)(b);
- (c) paragraphs 8 and 9 of Schedule 26 (remuneration)(c);
- (d) paragraphs 14A and 14B of Schedule 26 (delegation of planning functions)(d);
- (e) paragraph 14 of Schedule 31 (information).

(a) 1980 c.65. Section 135A was inserted by section 171 of the Levelling Up and Regeneration Act 2023 (2024 c.55).
(b) Paragraph 6(a) of Schedule 26 was amended by S.I. 2012/2404.
(c) Paragraphs 8 and 9 were amended by section 227 and Part XIII of Schedule 19 to the Housing Act 1996 (c. 52).
(d) Paragraphs 14A and 14B were inserted by section 118 and paragraph 10(7) of Schedule 7 to the Planning and Compulsory Purchase Act 2004 (c. 5).

(2) So far as is necessary for the purposes of or in consequence of paragraph (1), references to the Secretary of State in any enactment or instrument referring to a function assigned by that subparagraph are to be read as references to the oversight authority.

3. The oversight authority for a locally-led urban development corporation is to exercise the functions of the Secretary of State under section 136(5)(a) and (b) of the 1980 Act and those provisions have effect, as if—

- (a) references to the appropriate Secretary of State were references to the oversight authority; and
- (b) references to the concurrence of the Treasury were omitted.

4.—(1) The oversight authority for a locally-led urban development corporation is to exercise the functions of the Secretary of State under section 165(1), (4) and (5) of the 1980 Act^(a) and those provisions have effect subject to paragraph (2), as if—

- (a) references to the appropriate Secretary of State were references to the oversight authority; and
- (b) references to the concurrence of the Treasury were omitted.

(2) Where a local authority or authorities, is the oversight authority, make an agreement under section 165 of the 1980 Act with the development corporation, section 165 has effect as if—

- (a) in subsection (1), the references to approval of the Secretary of State and the concurrence of the Treasury were omitted;
- (b) for section (4), substitute—

“(4) Before approving an agreement under this section, the local authority shall consult with each local authority that is not part of the oversight authority in whose area falls all or part the urban development area is situated (except, in the case of an agreement made with such an authority, the authority with whom it is made).”;

- (c) in subsection (5), the reference to the Secretary of State approving an agreement were a reference to the local authority making an agreement; and
- (d) subsection (6) were omitted.

5. The oversight authority for a locally-led urban development corporation is to exercise the functions of the Secretary of State under paragraph 2 of Schedule 31 to the 1980 Act and those provisions have effect, as if—

- (a) references to the Secretary of State were references to the oversight authority; and
- (b) reference to the approval of the Treasury were omitted.

Functions of the Secretary of State

6. The functions of the Secretary of State under the following provisions of the 1980 Act may only be exercised by the Secretary of State in relation to a locally-led urban development corporation with the consent of the oversight authority for that urban development area—

- (a) section 139 (allocation or transfer of functions);
- (b) section 141 (vesting by order in corporation)^(b);
- (c) paragraph 7(1) and (2) of Schedule 31 (surplus funds).

(a) Section 165(1) was amended by section 180(1) of the Leasehold Reform, Housing and Urban Development Act 1993 (c. 28).
(b) Section 141(4) was amended by section 16(1) of the Compulsory Purchase (Vesting Declaration) Act 1981 (C. 66). Section 141(5B) was inserted by section 79 of the Planning and Compensation Act 1991 (c. 34). Section 141(6A) was inserted by S.I. 2001/1149, and words substituted by section 91(1) and (2) of the Postal Services Act 2011 (c. 5) Section 141(7) the definition of “wholly-owned subsidiary” was substituted by S.I. 2009/1941 There are other amendments to section 141 not relevant to this instrument.

Modifications of the 1980 Act

7. Schedule 1 makes further modifications to the provisions of the 1980 Act in relation to locally-led urban development areas.

Signed by authority of the Secretary of State for Levelling Up, Housing and Communities

	<i>Name</i>
Address	Parliamentary Under Secretary of State
Date	Department for Levelling Up, Housing and Communities

SCHEDULE 1

Regulation 7

Modification of the 1980 Act

1. In relation to locally-led urban development areas, the 1980 Act is modified in accordance with the following provisions.

2. Section 136 (objects and general powers) has effect as if before subsection (1) there were inserted—

“(A1) The aim of the oversight authority in overseeing the development of an area as a locally-led urban development area is—

- (a) to plan for development that is of high-quality, sustainable and well designed;
- (b) to plan from the outset for—
 - (i) the long-term stewardship of the assets of the locally-led urban development corporation for the benefit of the community;
 - (ii) the participation of the community;
 - (iii) the legacy arrangements following the dissolution of the locally-led urban development corporation”.

3. Schedule 26 (urban development corporations) has effect as if—

(a) for paragraphs 1 and 2 there were substituted—

“1.—(1) The members of a development corporation (in this Schedule referred to as “the corporation”) are to be appointed by the oversight authority and the authority must ensure it appoints a majority of independent members.

(2) In appointing members, the oversight authority must have regard to the desirability of appointing one or more persons having special knowledge of the locality in which the locally-led urban development area is situated.

(3) In appointing a member, the oversight authority—

- (a) must have regard to the desirability of appointing a person who has experience of, and has shown some capacity in, a matter relevant to the carrying-out of the development corporation’s functions, and
- (b) must be satisfied that the person will have no financial or other interest likely to affect prejudicially the exercise of the person’s functions as member.

(4) The oversight authority—

- (a) must request nominations for members from each local authority which appear to the oversight authority to be concerned with the development of the locally-led urban development area (including any local authority which is, or forms part of, the oversight authority), and

- (b) must appoint at least one member of the corporation from each relevant authority.
- (5) The oversight authority must appoint two of the independent members to be chairman and deputy chairman of the corporation.
- (6) On ceasing to be an elected member of a local authority a local authority nominated member also ceases to be a member of the corporation.
- (7) In this paragraph—
- “independent member” means any person who is appointed to be a member of the corporation who is not a local authority nominated member;
- “local authority nominated member” means an elected member of a local authority who is appointed to be a member of the corporation following a nomination by a local authority under sub-paragraph (4); and
- “relevant authority” means a local authority in whose area lies any part of the designated area of the locally-led urban development area.”;
- (b) in paragraph 5, after “the Secretary of State”, were inserted “or in relation to a locally-led urban development corporation the oversight authority”;
- (c) in paragraph 6(a), after “the Secretary of State”, were inserted “or in relation to a locally-led urban development corporation the oversight authority,”;
- (d) in paragraph 10(b), if after the first reference to “the Secretary of State”, were inserted “or in relation to a locally-led urban development corporation the oversight authority,” and after the second reference to “the Secretary of State”, were inserted “or the oversight authority”;
- (e) in paragraph 11(1), after “the Secretary of State”, were inserted “or in relation to a locally-led urban development corporation the oversight authority,”;
- (f) in paragraph 12(5)(c), after “the Secretary of State”, were inserted “or in relation to a locally-led urban development corporation the oversight authority,”;
- (g) paragraph 13 were omitted.
- 4. Schedule 31 (Urban Development Corporations: Finance etc.) has effect as if—**
- (a) for paragraph 4(1) and (2), were substituted—
- “(1) A development corporation may borrow (temporarily or otherwise) with the consent of the oversight authority, or in accordance with any general authority given by the oversight authority, in any currency from any person, such sums as the development corporation may require for meeting its obligations or performing its functions.”;
- (b) in paragraph 4(3) the words “or (2)” are omitted;
- (c) paragraph 9 is omitted;
- (d) for paragraphs 10 to 14(d), were substituted—
- “**10.** The Local Audit and Accountability Act 2014 applies to a locally-led urban development corporation as if the development corporation were a “relevant authority” (as defined in section 2 of, and Schedule 2 to that Act).”.

EXPLANATORY NOTE

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- (a) Paragraph 6(a) of Schedule 26 was amended by S.I.2012/2402.
- (b) Paragraph 10 was amended by Part XIII of Schedule 19 to the Housing Act 1995.
- (c) Paragraph 12 was amended by Part XIII of Schedule 19 to the Housing Act 1995.
- (d) There are amendments to paragraphs 10 to 14 not relevant to this instrument.

(This note is not part of the Regulations)

These Regulations, which apply in relation to England only, make provision for the local oversight of locally-led urban development corporations. The Regulations apply where the Secretary of State pursuant to a local authority proposal under section 134A of the Local Government, Planning and Land Act 1980 (“the 1980 Act”), makes an order under section 135 of that Act appointing one or more local authorities to oversee (“an oversight authority”) the development of a locally-led urban development area.

Regulations 2 to 5 specify the functions of the Secretary of State under the 1980 Act that are to be exercised by the oversight authority instead of the Secretary of State. Those include:

- (a) where the oversight authority is the local planning authority for the area, approval of urban development corporations’ plans for development of the urban regeneration area;
- (b) consenting to the transfer of the development corporation’s undertakings;
- (c) the appointment of the Board members of the development corporation; and
- (d) consenting to the development corporation’s borrowing.

Regulation 6 specifies the functions of the Secretary of State that can only be exercised by him with the consent of the oversight authority.

Regulation 7 provides that where the Secretary of State has designated an area as a locally-led urban development area the 1980 Act applies with the modifications set out in Schedule 1.

An impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.