

Power shift from Whitehall to communities gets underway

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An era of Whitehall control has ended with a historic shift in power back to local people, as the Localism Bill becomes law.

The Localism Act will trigger the biggest transfer of power in a generation, releasing councils and communities from the grip of central government.

The flagship legislation, which late yesterday afternoon received Royal Assent, puts a raft of new rights and powers at the disposal of local people to take charge of their future, delivering on more than 30 coalition agreement commitments.

Key measures to increase the power of local government through the Act include:

- Introducing a **new general power of competence**, giving councils unprecedented freedom to work together to improve services and drive down costs. Councils are now free to do anything - provided they do not break other laws
- Opening the door for the **transfer of power to our major cities** to develop their areas, improve local services, and boost their local economies
- Ending the ineffective system for overseeing the behaviour of councillors by **abolishing the Standards Board**
- Clarifying the **rules on predetermination** in order to free up councillors to express their opinions on issues of local importance without the fear of legal challenge
- Enabling councils to **return to the committee system** of governance, if they wish, regardless of their size. Centrally set rules interfering in how councils set up their own affairs are being scrapped
- Giving councils greater control over **business rates**. Councils will have the power to offer business rate discounts, which could help attract firms, investment and jobs. The Act cancels unfair **backdated business rates**, which threatened to cripple key businesses. It stops plans to impose a **business rate supplement** on firms if a simple majority of those affected do not give their consent, and simplifies the process for claiming **small business rate relief**
- Introducing **new planning enforcement rules**, giving councils the ability to take action against people who deliberately conceal unauthorised development
- Increasing powers for councils to **remove illegal advertisements** and graffiti and prevent fly-posting, and giving **planning authorities stronger powers** to tackle abuses of the planning system
- **Reforming homelessness legislation** to enable councils to provide good quality private rented homes where appropriate, freeing up social homes for people in need on the waiting list
- Allowing councils to keep the rent they collect and use it locally to maintain social homes through the **abolition of the housing revenue account**
- Passing greater powers over housing and regeneration to local democratically elected representatives in **London**.

Key measures to increase the power of local communities include:

- Introducing a new **Right to Bid**, which will give residents the opportunity to take over treasured local assets like shops and pubs and keep them part of local life
- Introducing a new **Right to Challenge**, making it much easier for local groups with good ideas to put them forward and drive improvements in local services
- Consigning **Bin Taxes** to the dustbin of history, by removing the ability of councils to charge families for overfilling their bin and to introduce extra tariffs for taking away household waste
- Increasing **transparency on local pay**, by requiring councils to publish the salaries of senior officials working in local authorities, enabling local people to understand how public money is being spent in their area
- Giving communities the right to **veto excess council tax rises**. Previously only central government had the power to 'cap' increases
- Introducing a new right to draw up a **neighbourhood plan**, giving local people a real voice to say where they think new houses, businesses and shops should go - and what they should look like
- Enabling communities to bring forward proposals for development they want - such as homes, shops, playgrounds or meeting halls, through the **Community Right to Build**
- Freeing home sellers and buyers from red tape through the **abolition of Home Information Packs**. The Act removes HIPs once and for all from the statute books
- Enabling people to swap their social home, for example because they wish to move jobs. A **national home swap scheme** will give access to details of all other tenants who may be a match
- Giving social tenants **stronger tools** to hold their landlords to account. Landlords will be expected to support tenant panels - or similar bodies - so tenants can carefully examine the services being offered. **The Tenant Services Authority will be abolished**
- Requiring **developers to consult local communities** before submitting certain applications. This gives people a chance to comment while there is still scope to make changes
- Ending decision making by unaccountable officials on important infrastructure projects such as train lines and power stations. The Act **abolishes the Infrastructure Planning Commission**, and restores responsibility for taking decisions to elected, accountable Ministers.