

Written Ministerial Statement from the Secretary of State for Communities and Local Government: The Rt. Hon Eric Pickles MP

13th December 2010

I am today introducing the Localism Bill to Parliament. The legislation will set the foundations for the Big Society by radically transforming the relationships between central government, local government, communities and individuals. The provisions will devolve greater power and freedoms to councils and neighbourhoods, establish powerful new rights for communities, revolutionise the planning system, and give communities much more control over housing decisions.

The Bill will expand councils' freedom to act in the interest of their local communities through a new general power of competence. This long awaited new power will mean that rather than needing to rely on specific powers, councils will have the legal reassurance and confidence to innovate and drive down costs to deliver more efficient services.

Powers for councils will be accompanied by greater powers for local people to hold their local authorities to account and to shape their local area. There will be a new right to challenge to take over services; a new right to bid to buy assets of community value such as libraries, public houses and shops; a new right to veto excessive council tax rises through a referendum.

The Bill also contains significant reform of the planning system. It will replace the Infrastructure Planning Commission with an efficient and democratically accountable system for major infrastructure. It will enable regional planning to be swept away and, in its place, neighbourhood plans will become the new building blocks of the planning system with communities having the power to grant planning permission if a majority of electors are in favour.

The Bill will return decision-making powers on housing to local councils, giving them much greater control over allocation and tenure of social housing and the flexibility to use their social housing stock to the maximum effect and reduce waiting lists. It will enable a new National Homeswap Scheme that will make it easier for social tenants to relocate. The Housing Revenue Account Subsidy System will be replaced with a more transparent system that serves local communities. The Tenant Services Authority will be abolished but its vital economic regulation functions will be preserved.

The Bill will create powerful incentives for economic growth by allowing local authorities to grant discretionary business rate discounts. Its provisions will also make small business tax breaks easier to take advantage of; give affected businesses a greater say in rate supplements.

Finally, the Bill will take forward a New Settlement for London which will devolve significant power to the Greater London Authority and London Boroughs and streamline the plethora of agencies in London's public sector landscape.

Taken together, the measures in the Bill will give local government the freedom and powers to deliver the key frontline services people rely on and make important savings.