



Leicester  
City Council

WARDS AFFECTED  
All

## FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet

26<sup>th</sup> January 2009

Full Council

29<sup>th</sup> January 2009

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## The Sustainable Communities Act 2007

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### SUPPLEMENTARY INFORMATION TO THE INITIAL REPORT

#### 1.0 The Purpose of the Sustainable Communities Act

- 1.1 “The Sustainable Communities Act 2007: A Guide”, produced by Communities and Local Government, describes the purpose of the Act:

“The Sustainable Communities Act aims to promote the sustainability of local communities. It begins from the principle that local people know best what needs to be done to promote the sustainability of their area, but that sometimes they need central government to act to enable them to do so. It provides a channel for local people to ask central government to take such action. It is also a new way for local authorities to ask central government to take action which they believe would better enable them to improve the economic, social or environmental well-being of their area. This could include a proposal to transfer the functions of one public body to another.

The scope of the Act is very broad, covering economic, social and environmental issues. It does not limit the type of action that could be put forward, provided the action is within that broad scope. It is for local people to decide what they think needs to be done to promote the sustainability of their area.”

Sustainable Communities Act 2007: A Guide; Communities and Local Government, February 2008

- 1.2 The Secretary of State made the first invitation to local authorities to submit proposals on 14<sup>th</sup> October 2008. Local authorities have until 31<sup>st</sup> July 2009 to develop and send in their proposals. The Local Government Association has been appointed the “Selector” under the terms of the Act. Their role is to co-ordinate the submission process, and, in negotiation with the Secretary of State, short-list the proposals. The Secretary of State will then produce an action plan for implementation of these proposals that are taken forward and report annually on its progress.

#### 2.0 The Scope of Proposals

- 2.1 ‘Sustainability’ is defined in the Act in very broad terms, and can cover anything which could improve the economic, social, or environmental well-being of the area, or promote participation in civic or political activity.

- 2.2 On deciding proposals, local authorities will need to consider whether the proposals can already be achieved under existing legislation, how they contribute to the well-being and sustainability of the local area, and what community engagement has been conducted in order to ensure the suitability of the proposals.
- 2.3 New Local Government Network has produced a paper which sets out potential ideas for proposals. Some of these ideas are listed below to illustrate how the Act could be used.
- Promoting small businesses by increasing the rate relief they receive;
  - Promoting local renewable energy, e.g. by removing the restrictive barriers relating to the local grid;
  - Promoting local food and other products, e.g. by giving rate relief to businesses that earn 50% of their turnover from selling local food and goods
  - Increased powers over crime and criminal justice, including the ability to look across the piece at the funding of local services and refocus interventions on local preventative measures;
  - Better joining up of regional and local transport funding with increased powers to ensure agencies such as RDAs, Network Rail and the Highways Agency have regard to local plans
  - Responsibility for post-19 skills, training and apprenticeships should be devolved to local authorities

### **3.0 Local Spending Plans**

- 3.1 The Act places a duty on the Secretary of State to produce a local spending plan for each local authority area, which details all the public spending for that area, via local, regional and national agencies.
- 3.2 Local spending plans must be made available by April 2009. The LGA have pointed out that the late timing of this may cause some challenges in developing policy proposals, as it will be more difficult to establish where changes can be instigated to increase well being in the local area. It will only leave two months between the publication of spending plans and the deadline of submission for proposals. The LGA are lobbying government to bring the timing of publication forward.

### **4.0 Benefits of making use of the Act locally**

- 4.1 This Act gives government a legal duty 'to assist local authorities in promoting the sustainability of local communities'. So by 'opting in' councils are signing up to receive that 'assistance'.
- 4.2 The Act gives a real opportunity for local people, local communities and local authorities to come together to improve their local area. It gives local areas a stronger voice in shaping central government policy. The process in itself can be used as a tool to inform, consult and involve local communities, increasing citizen involvement, empowering local people, and utilising their knowledge and expertise.
- 4.3 In addition, the Act gives the council the opportunity to be proactive in setting the agenda at a local, regional and national level. If used to its potential, it could be instrumental in ensuring that the One Leicester vision is achieved, by using central government to "unblock" issues where locally, we are unable to.

- 4.4 It can help ensure we are equipped to act locally to mitigate against the economic downturn. Where local concerns or solutions are raised, and we do not have specific powers already existing in legislation, or cannot use the general power of wellbeing, we will be able to respond to these local concerns through a direct route to central government.
- 4.5 Local spending plans will for the first time give a full picture of public spending in the local area. There will be the potential to request and negotiate for centrally controlled public spending and associated function to be transferred to local control.
- 4.6 There are some “unknowns” regarding Government’s response to proposals. There may reluctance to take forward radical proposals, or those that are high risk. However, by being part of the process, we will be able to push central government to consider proposals which will truly benefit local residents.

## **5.0 Headline Financial and Legal Implications**

### 5.1 Headline Financial Implications

5.2

There are no direct financial implications arising from this report. There may, however, be financial implications in future, depending on the details of any spending proposals drawn up in accordance with the provisions of the legislation. Section 2.3 gives some examples, some of which, if adopted, would have cost implications.

Andy Morley Chief Accountant, X 297404

### 5.2 Headline Legal Implications

“The Sustainable Communities Act, 2007 provides a framework for the Government to deliver its commitment to change legislative blocks which may prevent authorities using Well Being powers under Section 2 of the Local Government Act, 2000. The Well Being powers are very wide, designed to enable a Council to improve the economic, social or environmental well being of its area in accord with the area's Sustainable Community Strategy i.e unless explicitly prohibited elsewhere in legislation.

This new Act provides an opportunity to remove prohibitive legislation.

A schedule to the Act provides a list of matters which must be referred to by a local authority when formulating a proposal - see appendix 1. This is a useful prompt for generating ideas.

The Act makes it clear that a local authority must not include any request / proposal unless it has consulted bodies whose functions the proposal relates to.

A proposal must be submitted and considered in accord with regulations made under the Act, published in 2008.

As required by section 5(4) of the Act, regulation 4 requires certain steps to be taken by a local authority before it makes proposals under section 2 of the Act. Before making any proposals -

- (a) regulation 4(2) requires a local authority to have regard to the guidance issued by the Secretary of State under section 5(5) of the Act; and
- (b) regulation 4(3) requires an authority to establish or recognise a panel of representatives, to consult the panel about any proposal and to try to reach agreement with the panel about proposals.

Regulation 5 makes provision about the constitution of these panels. Sufficient representatives must be involved in a panel so that local persons are adequately represented by the panel, but there is no breach of this requirement if a local authority takes reasonable steps to involve a group of local persons and no representatives of the group become involved.”

Peter Nicholls, Service Director - Legal Services x 6302

## **6.0 Report Author / Officer to contact:**

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## **7.0 Sources:**

[Sustainable Communities Act 2007: A Guide](#); Communities and Local Government, February 2008  
[Sustainable Communities Act – Key Facts](#); Local Government Association 11 Dec 2008  
[The Sustainable Communities Act, The Key That Finally Unlocks Real Local Potential](#)  
Antony Brand, NLGN, October 2008  
[Local Works](#) website

**SCHEDULE**

**MATTERS TO WHICH LOCAL AUTHORITIES MUST HAVE REGARD**

1. The matters referred to in section 2 are –
  - (a) the provision of local services,
  - (b) the extent to which the volume and value of goods and services that are –
    - (i) Offered for sale; or
    - (ii) Procured by public bodies

and are produced within 30 miles (or any lesser distance as may be specified by a local authority in respect of its area) of their place of sale or of the boundary of the public body,
  - (c) the rate of increase in the growth and marketing of organic forms of food production and the local food economy,
  - (d) measures to promote reasonable access by all local people to a supply of food that is adequate in terms of both amount and nutritional value,
  - (e) the number of local jobs,
  - (f) measures to conserve energy and increase the quantity of energy supplies which are produced from sustainable sources with a 30 mile radius of the region in which they are consumed,
  - (g) measures taken to reduce the level of road traffic including, but not restricted to, local public transport provision, measures to promote walking and cycling and measures to decrease the amount of product miles,
  - (h) the increase in social inclusion, including an increase in involvement in local democracy,
  - (i) measures to increase mutual aid and other community projects,
  - (j) measures designed to decrease emissions of greenhouse gases,
  - (k) measures designed to increase community health and well being,
  - (l) planning policies which would assist with the purposes of this Act, including new arrangements for the provision of affordable housing, and
  - (m) measures to increase the use of local waste materials for the benefit of the community.
2. In this Schedule the following terms shall have the following meanings –
 

“local services” includes, but is not restricted to, retail outlets, public houses, banks, health facilities, including hospitals and pharmacies, legal services, social housing, post offices, schools, public eating places, leisure facilities and open spaces;

“local food economy” means a system of producing, processing and trading primarily organic forms of food production, where the activity is largely contained in the area or region where the food was produced;

“local jobs” mean –

  - (a) jobs in companies or organisations that in the opinion of the appropriate authority will spend a significant proportion of their turnover in the locality of the place of operation; and
  - (b) jobs which are held by people living within 30 miles of that job;

“mutual aid” means actions or initiatives by people in the community to improve services or provisions for themselves and other persons in the community;

“product miles” means the total distance produce is transported from the place of growth or production to the place of consumption;

“social inclusion” means the opportunity for all people resident in any area to play an equal role in the economic, social and civic life of the area;

“local democracy” means the ability to participate, by means of voting at elections or otherwise, in decision-making that is as local as practicable to people’s place of residence;  
and

“community health and well-being” means the degree to which persons resident in an area identify with that area and receive an increased quality of life as a result of the nature and environment of the area.