

14 October 2008

All Local Authority Leaders and Chief
Executives in England

Our Ref: SCA invitation

Dear Colleague

SUSTAINABLE COMMUNITIES ACT 2007: FIRST INVITATION TO LOCAL AUTHORITIES TO SUBMIT PROPOSALS

Communities and Local Government is the lead department in Government for the implementation of the Sustainable Communities Act 2007. The Act provides a valuable opportunity for local authorities (as defined under section 8 of the Act) to make proposals which they consider would encourage the improvement of the economic, social or environmental well-being of local areas. 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.

The Act sets out a simple process by which ideas generated by local communities which aim to promote local sustainability are put forward by the local authority to central government through a body known as the "selector". The LGA was appointed as selector in February 2008 and has a role in "short-listing" proposals to be submitted to Government for consideration.

The Secretary of State is required to decide which proposals on the short-list should be implemented, to give reasons for that decision, and to do so after consulting the LGA and trying to reach agreement. The Secretary of State will then publish a statement of how the Government will take forward any proposals that are to be implemented (the "action plan"). Further details about the provisions of the Act can be found at the link below.¹

We are working closely with colleagues at the LGA to ensure the process for progressing proposals, arising from the invitation issued by the Secretary of State for Communities and Local Government today, is as streamlined and as transparent as possible. The remainder of this letter outlines the agreed process for making proposals and reaching decisions.

Making Proposals

Before making any proposal, local authorities must establish or recognise one or more panels of representatives of local persons and consult these panels and try to reach agreement about which proposals (if any) it wants to put forward; authorities are not required to submit a proposal.

Proposals should be sent to the Local Government Association (LGA), who have agreed to undertake the role of "selector" under the legislation. The deadline for submitting proposals

¹ <http://www.communities.gov.uk/publications/localgovernment/sustainablecommunitiesact>
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Eland House
Bressenden Place
London
SW1A 5DU

is **31 July 2009**. This is intended to allow sufficient time for proper consideration by communities and local authorities.

The LGA website contains further details about the way in which proposals should be submitted.²

Reaching Decisions on Proposals

Following the deadline for receipt of proposals the LGA will consider and, in cooperation with the Secretary of State, short-list certain proposals. The Secretary of State will then, after consulting the LGA and trying to reach agreement, decide which proposals to implement. The Secretary of State will publish her decision on the short-listed proposals and her reasons, together with her action plan.

Local authorities have asked for an indication of the likely approach of Government to decisions on short-listed proposals. The Secretary of State will in cooperation with the LGA assess proposals against the purpose of the Act; namely the promotion of the sustainability of local communities.

The following additional information reflects the Government's current thinking and may help to inform any proposals local authorities are considering as part of this process:

- the purpose of proposals is to identify issues on which central government can act to assist councils and communities to promote the sustainability of local communities and the Government will consider favourably proposals which meet this test. It follows from this that proposals are more likely to succeed if they are specific about the action required of central government and also are not already within the powers of local authorities (including powers for the promotion of well-being in section 2 of Local Government Act 2000³);
- there are established processes for settling the levels and distribution of public sector resources. The Government does not regard the Act as a route for agreeing additional public expenditure, either at national or local level, and so a particularly strong case will need to be made in support of any proposals that require this;
- as with all public policies, the Government will assess proposals taking into account their broad cost-benefit, including in relation to areas or groups that may be wider than those putting forward the proposal, together with the impact on specific groups. This will include the likely costs of making arrangements which are specific to a particular area or group, against the economies of scale which arise from more uniform approaches. Proposals which these test are more likely to succeed;
- the Government will also take into account its existing policy positions for which it is publicly accountable.

Regulations and Guidance

The Secretary of State has made regulations and published guidance on the Act. The main messages include:

- the regulations require local authorities, before making any proposals, to establish or recognise one or more panels of representatives of local persons and to consult

² <http://www.lga.gov.uk/lga/core/page.do?pagelId=561616>

³ http://www.opsi.gov.uk/Acts/acts2000/ukpga_20000022_en_2#pt1-pb2-11g2

them about each proposal. The guidance states that for the purposes of this Act, “representatives of local persons” means a balanced selection of the individuals, groups or organisations the authority considers likely to be affected by, or have an interest in the proposal. The term “representative” does not refer to formally elected or nominated members of the community;

- the intention behind section 5(5)(a) of the Act is to ensure that panels of representatives of local persons include persons from under-represented groups. The regulations state that “under-represented groups” means those groups of local persons who in the opinion of a local authority are under-represented in civic and political activity in the authority’s area. Local authorities are best placed to know which groups are under-represented in their area and how best to engage with them;

- the guidance does not prescribe which groups should be included in panels, how panels should be constituted or how many panels a local authority may choose to establish or recognise. It does however set out reasonable steps to identify and include representatives from under-represented groups on new or existing panels;

- the guidance states that local persons are those people likely to be affected by, or interested in, a particular proposal. They do not have to be a resident, and could be someone who works or studies in the area, visitors, service users, local third sector groups, businesses, parish councils, or anyone else likely to be affected by, or interested in, the proposal;

- the guidance states that local authorities will want to consult parish councils in their area.

Next Steps

Ministers have said they hope this invitation leads to a productive dialogue between central and local government and local communities, and that this will lead to innovative suggestions on how to improve the sustainability of local communities and what central government can do to help.

Because the process is new and the scope of the Act is wide we cannot be precise about how quickly decisions will be made. This will depend on the number and complexity of proposals. Once the overall position is clear, the LGA and Communities and Local Government will publish further information on the timescales for next steps. The Act requires the Secretary of State to issue further invitations to local authorities. The timetable for these invitations will be informed by the first round as it develops.

I hope this information is helpful and look forward to working with LGA colleagues to improve the sustainability of our communities. If you have any queries about the process please contact Communities and Local Government by e-mail at: sca@communities.gsi.gov.uk or by telephone at: 020 7944 8648 or contact the LGA on 0207 664 3238.

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