



Japan Local Government Centre, London

Monthly Report for May 2010 (UK) – Legislative Programme 2010

The Coalition: our programme for government

On May 20 the new Conservative-Liberal Democrat UK government published *The Coalition: our programme for government*. In the 'Communities and Local Government' section, it stated: *"The Government believes that it is time for a fundamental shift of power from Westminster to people. We will promote decentralisation and democratic engagement, and we will end the era of top-down government by giving new powers to local councils, communities, neighbourhoods and individuals."*

Specific policies outlined were:

- establishing a review of local government finance
- abolition of Regional Spatial Strategies, with powers passed back to local councils
- abolish the Infrastructure Planning Commission, with parliamentary oversight for major infrastructure projects and a simplified national planning framework
- abolish the Government Office for London and consideration of abolishing the remaining Government Offices
- phase out the ring-fencing of grants to local government and further review the Housing Revenue Account
- freeze Council Tax in England for at least one year, and seek to freeze it for a further year, in partnership with local authorities
- create directly elected mayors in the 12 largest English cities, subject to confirmatory referendums
- give councils a general power of competence
- ban the use of powers in the Regulation of Investigatory Powers Act (RIPA) by councils, unless they are signed off by a magistrate and required for stopping serious crime

- allow councils to return to the committee system, should they wish to, and abolish the Standards Board
- halt the restructuring of councils in Norfolk, Suffolk and Devon, and stop plans to force the regionalisation of the fire service
- cut local government inspection and abolish the Comprehensive Area Assessment.
- give councillors the power to vote on large salary packages for unelected council officials
- explore more ways to bring empty homes into use and promote shared ownership schemes
- promote 'Home on the Farm' schemes to encourage farmers to convert existing buildings into affordable housing and create new home trusts to provide more affordable housing to local people

In 'Government Transparency' there were also commitments to:

- require all councils to publish meeting minutes and local service and performance data
- require all councils to publish items of spending above £500, and to publish contracts and tender documents in full

Efficiency and Reform

On May 24 HM Treasury announced a £6.2bn package of immediate cuts in government spending aimed at reducing the UK's deficit ahead of the Emergency Budget due in June. Alongside the announcement of a civil service recruitment freeze and the planned abolition of a number of quangos, on local government the Treasury committed the new government to:

- remove the ring fences around over £1.7bn of grants to local authorities in 2010-11
- make a contribution of £1,165m towards the overall saving of £6.2bn across Government in 2010-11 through reductions to individual grants to Local Authorities
- no reduction to formula grant (£29bn)
- save £270m by ending lower value RDA spending
- the foundation of an Efficiency and Reform group chaired by the Chief Secretary and Cabinet Office Minister to oversee the implementation of many of the savings announced

The Government also announced a review by the Treasury of public sector pay, led by economics writer Will Hutton. The review will report by the end of the year and will cover all senior salaries in the public sector, with Mr Hutton asked to examine how best to implement the Conservatives manifesto pledge to limit senior salaries in any public sector organisation to no higher than 20 times its lowest salary. He will also cover recruitment and retention issues in the public sector.

Queen's Speech 2010

On May 25 the first State Opening of Parliament of both this parliament and the new coalition government took place. Among the 22 Bills announced by the Queen there were several to give effect to the coalition's policies on local government and decentralisation:

- Academies Bill – *to enable more schools to opt out of LEA control*
- Decentralism and Localism Bill – *to introduce a power of general competence and restore councils' powers over planning and housing from RDAs*
- Local Government Bill – *to halt unitary restructuring in Exeter and Norwich*
- Police Reform and Social Responsibility Bill – *to introduce elected police commissioners*
- Public Bodies (Reform) Bill – *to abolish a number of quangos and limit their powers*

Among the Bills proposed was a measure to introduce a five year fixed-term parliament, meaning that the next general election would be held in May 2015. The next State Opening of Parliament will take place in autumn 2011.