

The Implications of the Localism Agenda

What is Localism?

Localism is all about removing unnecessary tiers of governance. It involves taking decision making away from larger national/regional bodies and organisations and instead encouraging decisions to be made by individuals, communities and local Councils.

The Government's vision is for a future where Councils and local people work together with developers and planners to deliver new building in their area.

The Government's plans for greater Localism include:

- returning decision-making powers on housing, planning and regeneration to local Councils by abolishing Regional Spatial Strategies;
- creating Local Enterprise Partnerships (i.e. joint local authority-business bodies to promote local economic development). They will be tasked with coordinating public and private investment in planning and housing (potentially providing strategic level planning guidance), local transport and infrastructure;
- new powers for communities to help save local facilities and services threatened with closure, and the right to bid to take over local state-run services;
- giving Councils a general power of competence;
- giving residents the power to instigate local referendums on any local issue and the power to veto excessive Council Tax increases;
- greater financial autonomy to local government and community groups;
- Creating simpler development plans, which are more transparent and deal with real local issues. The idea is that it will be easier for local Councils to agree and amend local plans with their local community, in a way that maximises the involvement of neighbourhoods.

Localism Timeline

The key dates in relation to the implementation of the Localism Agenda are as follows:

- 25 May 2010: Localism Agenda announced in Queens Speech;
- 9 June 2010: PPS3 Amended and republished;
- 22 July 2010: Announcement by Eric Pickles to abolish the 8 Regional Government Offices;
- 29 July 2010: Commons Select Committee launched on Localism & Decentralisation;
- 7 September 2010: Deadline for Local Enterprise Partnerships (56 were received);
- 1 October 2010: Deadline for interested parties to submit evidence into Communities & Local Government Committee Inquiry into localism.

Immediate Concerns with Localism

One of the most obvious planning issues with the Localism Agenda has been the abolition of major parts of the planning system (most notably the Regional Spatial Strategies) without a viable alternative in place (it will take some time for Local Enterprise Partnerships to be up and running). This will potentially create a strategic level policy void, which could place economic recovery at risk. Indeed, there is already evidence that house building has been affected by the change in structure.

In addition, many emerging Development Plans (LDFs) have either been abandoned or placed on hold until there is greater clarification regarding the future of strategic level planning. This has the potential to create a complete lack of certainty in the planning and development industry (e.g. as a result of the abandonment of housing targets), again potentially affecting economic recovery.

A further problem with localism is that there is a patchwork quilt of different approaches emerging, Council by Council. There are those that have put the brakes on major development, and there are those who are pushing ahead with agreed or desired plans. There is little consistency from local politicians and so the risk for developers (particularly those engaged in UK wide development programmes) is growing.

Further issues with Localism include:

- Confusion as to how funding will be allocated to new stakeholders, particularly given the Government's focus on spending cuts (e.g. will the organisation that shouts the loudest get what little money there is?);

- Confusion when schemes (e.g. new roads) come forward which bridge Local Council boundaries (e.g. will there be a duplication or vacuum of services, and who will pay?);
- Uncertainty as to whether local politicians (and other members of the community) will be trained to better equip them in their new (wider) role, and who might fund this training?
- Uncertainty as to how effective and appropriate accountability can be achieved for expenditure on the delivery of local services?
- Implications of high court challenges which are currently pending from a number of house builders who have challenged the abolition of the Regional Spatial Strategies. These have the potential to create further confusion and potentially delay the setting of the new structures/organisations needed to implement the Localism agenda, creating further planning (and planning policy) uncertainty.

Further Developments in Localism?

One suggestion is that localism could lead to developers being free to offer financial incentives to communities to back schemes as well as inducements to local residents in return for supporting development. For example there may be a return to a situation where developers are asked to pay for things wanted by the local community (e.g. a library, park or a playing field), despite this having no direct relevance to the proposals they are seeking permission to build. (NB. This would require a change in planning law, since at present planning obligations need to be: 'necessary; relevant to planning; directly related to the proposed development; and fairly and reasonably related in scale and kind to the proposed development').

The localism agenda is likely to result in a greater use of Development Briefs, which would be prepared in conjunction with the local community and other stakeholders.

The effort to decentralise and de-bureaucratise state services is likely to stimulate local community groups and leading to more focused action from them in the future. If the Community don't want a scheme, then it is likely they will have a much stronger platform (and understanding of the processes) to object to it.

How Can Developers Benefit from Localism and Respond to it?

- Adopt a different way of doing business (e.g. even more public engagement pre-planning);
- Establish an engagement strategy in dealing with new empowered local community groups, Local

Councils and Local Enterprise Partnerships, so that relationships with these groups can be improved in future;

- Ensure that matters raised by the Community during public consultation are incorporated into development proposals;
- Create more focussed and bespoke planning cases when promoting new developments, with greater reliance on local issues/impacts/benefits, rather than national issues/impacts/benefits (e.g. think about how development can help the local community and its needs);
- Placing the 'local regeneration' benefits of a development at the forefront of a scheme.
- Reassess what additional local benefits could be provided when promoting new developments;
- Ensure that once completed developments maintain their local focus during their lifetime;
- Reinforce the message of providing local jobs and increased use of local suppliers/produce;
- Keep up to speed with changes being made to the planning policy system. Make sure that you actively promote sites/schemes through emerging policies and help influence local Development Briefs;
- Be proactive and lead from the front (e.g. be seen to understand the changes in the planning system and the localism agenda, thus giving decision makers and stakeholders confidence that you understand the new system and can help them if they don't);
- Work with others in local communities to create the best possible environments in which to trade, shop and live.

Contour Planning is ready to help you understand how these changes could affect your business.

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