

9 March 2012

Chief Executive
By email

Dear Chief Executive

LOCALISM ACT 2011: GOVERNANCE ARRANGEMENTS AVAILABLE TO PRINCIPAL COUNCILS IN ENGLAND

The Department is currently implementing the Localism Act 2011 (“the 2011 Act”), which received Royal Assent on 15 November 2011, and I am now writing to you about the governance arrangements which it will be open to your council to adopt under this Act.

Governance arrangements available to councils

Currently, all principal councils in England with a population of 85,000 or greater on 30 June 1999 are required to operate one of two executive governance models – either the mayor and cabinet or leader and cabinet model. Principal councils with a lower population may operate one of these executive models or alternative arrangements (a modified committee system).

The 2011 Act gives councils greater freedoms over their governance arrangements. In future your council, if it so chooses, will be able to operate the committee system instead of an executive governance model. It will also be open to your council to consider some novel form of governance arrangements such as a hybrid of executive and committee systems, or something entirely new. If your council wished to pursue such novel arrangements it would need to put its proposals to the Secretary of State inviting him to use his regulation making powers to make these novel governance arrangements available to councils.

Implementation of the new freedoms

The provisions of the 2011 Act enabling your council to resolve to move to the committee system are now in force. Where any such resolution is passed, the council would operate the committee system from its next annual meeting or a subsequent annual meeting specified in the resolution. It is intended to bring the further provisions of the 2011 Act, and associated secondary legislation, needed for councils to operate the committee system into force from 4 May 2012.

Accordingly, it is now open to your council, if it chooses, to resolve to move to the committee system. If your council were now to pass such a resolution, it would move to the committee system at its annual meeting held in May 2012, unless the resolution specified an annual meeting in a later year.

I would draw to your attention that it is intended that the proposed secondary legislation on the committee system will -

- replicate the effect of provisions of the Local Government Act 1972 that applied to the traditional committee system and reserved certain matters – e.g. decisions on the budget – for the full council; and
- give to councils the flexibility that if they adopt a committee system with overview and scrutiny committees, those committees will have the same kind of scrutiny powers as a scrutiny committee under executive arrangements.

It is intended to make and lay this secondary legislation before Parliament in the first half of April so that it will come into force on 4 May.

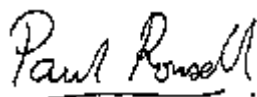
Finally, if your council wishes to put proposals for some novel form of governance arrangements to the Secretary of State, it should submit the proposal setting out how it considers the following statutory conditions would be met -

- that the operation of the proposed arrangements would be an improvement on the council's current arrangements;
- that the operation of the proposed arrangements would be likely to ensure that decisions are taken in an efficient, transparent and accountable way; and
- that the proposed arrangements would be appropriate for all councils or any particular description of council.

Any submission would need to describe how and by whom the functions of the council are to be discharged under the proposal and the arrangements for delegation. It should be sent to Kathy Billington at kathy.billington@communities.gsi.gov.uk.

If you have any queries on the letter, please contact my colleagues Karl Holden at karl.holden@communities.gsi.gov.uk. or Kathy Billington at Kathy.billington@communities.gsi.gov.uk

Yours sincerely



Paul Rowsell