Local Democracy, Economic Development and Construction Bill [HL]

EXPLANATORY NOTES

Explanatory notes to the Bill, prepared by the Department for Communities and Local Government, are published separately as HL Bill 2—EN.

EUROPEAN CONVENTION ON HUMAN RIGHTS

Baroness Andrews has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

In my view the provisions of the Local Democracy, Economic Development and Construction Bill [HL] are compatible with the Convention rights.
Local Democracy, Economic Development and Construction Bill [HL]

CONTENTS

PART 1
DEMOCRACY AND INVOLVEMENT

CHAPTER 1
DUTIES RELATING TO PROMOTION OF DEMOCRACY

Duties of principal local authorities
1 Democratic arrangements of principal local authorities
2 Democratic arrangements of connected authorities
3 Monitoring boards, court boards and youth offending teams
4 Lay justices

Supplementary
5 Provision of information
6 Guidance
7 Isles of Scilly

General
8 Orders
9 Interpretation

CHAPTER 2
PETITIONS TO LOCAL AUTHORITIES

Electronic petitions
10 Electronic petitions

Petition schemes
11 Petition schemes
12 Valid petitions
13 Requirement to acknowledge valid petitions
14 Requirement to take steps
15 Requirement to debate
16 Requirement to call officer to account
17 Review of steps
18 Supplementary scheme provision

Supplementary

19 Powers of appropriate national authority
20 Handling of petitions by other bodies

General

21 Orders
22 Interpretation

CHAPTER 3

INVolvEmEnt IN fUnCTIOnS OF pUblic aUthORITIes

23 Duty of public authorities to secure involvement
24 Duty of public authorities to secure involvement: guidance

CHAPTER 4

HOUSING

25 Establishment and assistance of bodies representing tenants etc
26 Consultation of bodies representing tenants etc

PART 2

LOCAL aUthORITIES: GOVERNANCE AND aUdIT

CHAPTER 1

GOVERNANCE

27 Scrutiny officers
28 Functions of joint overview and scrutiny committees
29 Powers of National Assembly for Wales

CHAPTER 2

aUdIT OF eNTITIes CONNECTED WITH LOCAL aUthORITIes

Preliminary

30 Overview
31 Notification duties of local authorities
Local Democracy, Economic Development and Construction Bill [HL]

**Power to appoint auditor**

32 Power to appoint auditor
33 Power to appoint replacement auditor
34 Exclusions

**Auditors**

35 Eligibility for appointment
36 Terms of appointment

**Audit of accounts**

37 Right of entity to appoint auditor to conduct statutory audit
38 Functions of auditor not appointed to conduct statutory audit

**Public interest reports**

39 Public interest reports
40 Codes of practice
41 Access to information
42 Consideration of report by entity
43 Consideration of report by local authority

**Supplementary**

44 Fees
45 Power of audit authority to require information
46 Subsidiaries of Passenger Transport Executives

**General**

47 Regulations
48 Interpretation

**PART 3**

LOCAL GOVERNMENT BOUNDARY AND ELECTORAL CHANGE

*Establishment of the Boundary Committee for England*

49 Boundary Committee for England

**Boundary Committee for England: functions relating to electoral change**

50 Review of electoral arrangements
51 Requests for review of single-member electoral areas
52 Review procedure
53 Implementation of review recommendations

**Boundary Committee for England: functions relating to boundary change**

54 Transfer of functions relating to boundary change
Termination of involvement of Electoral Commission

55 Removal of functions relating to boundary and electoral change
56 Transfer schemes

Transitional

57 Continuity of functions
58 Interim provision

Miscellaneous

59 Electoral changes consequential on boundary change in England
60 Repeal of redundant provisions

General

61 Consequential and supplementary provision
62 Interpretation

PART 4

LOCAL AUTHORITY ECONOMIC ASSESSMENTS

63 Local authority economic assessment
64 Partner authorities

PART 5

REGIONAL STRATEGY

Regional strategy

65 Regional strategy

Authorities relevant to this Part

66 Leaders’ Boards
67 Responsible regional authorities

Revisions of regional strategy

68 Review and revision by responsible regional authorities
69 Community involvement
70 Examination in public
71 Matters to be taken into account in revision
72 Approval of revision by Secretary of State
73 Reserve powers of Secretary of State
74 Revision: supplementary

Implementation of strategy

75 Implementation
Effect of strategy

76 Regional strategy as part of the development plan
77 Duties of regional development agencies

Supplementary

78 Sustainable development
79 Guidance and directions
80 Consequential provision

General

81 Regulations
82 Interpretation

PART 6
ECONOMIC PROSPERITY BOARDS AND COMBINED AUTHORITIES

EPBs and their areas

83 EPBs and their areas

Constitution and functions of EPBs

84 Constitution
85 Constitution: membership and voting
86 Exercise of local authority functions
87 Funding
88 Accounts
89 Change of name

Changes to and dissolution of an EPB’s area

90 Changes to boundaries of an EPB’s area
91 Dissolution of an EPB’s area

Requirements in connection with orders about EPBs

92 Review by authorities: new EPB
93 Preparation and publication of scheme: new EPB
94 Requirements in connection with establishment of EPB
95 Review by authorities: existing EPB
96 Preparation and publication of scheme: existing EPB
97 Requirements in connection with changes to existing EPB arrangements

Combined authorities and their areas

98 Combined authorities and their areas
99 Constitution and functions: transport
100 Constitution and functions: economic development and regeneration
101 Changes to boundaries of a combined authority’s area
102 Dissolution of a combined authority’s area
Requirements in connection with orders about combined authorities

103 Review by authorities: new combined authority
104 Preparation and publication of scheme: new combined authority
105 Requirements in connection with establishment of combined authority
106 Review by authorities: existing combined authority
107 Preparation and publication of scheme: existing combined authority
108 Requirements in connection with changes to existing combined arrangements

Supplementary

109 Incidental etc provision
110 Transfer of property, rights and liabilities
111 Consequential amendments
112 Orders
113 Guidance
114 Amendments relating to EPBs and combined authorities
115 Interpretation

PART 7

MULTI-AREA AGREEMENTS

Basic concepts

116 Multi-area agreements
117 Local authorities
118 Partner authorities

Preparation and approval of multi-area agreements

119 Proposal for multi-area agreement
120 Direction to prepare and submit draft multi-area agreement
121 Preparation of draft multi-area agreement
122 Approval of draft multi-area agreement
123 Submission of existing multi-area agreement
124 Approval of existing multi-area agreement

Effect of multi-area agreements

125 Duty to have regard to improvement targets

Revision of multi-area agreements

126 Responsible authorities
127 Revision proposals
128 Preparation of revision proposal
129 Approval of revision proposal

Information about multi-area agreements

130 Duty to publish information about multi-area agreement
Supplementary and general

131 Consultation on guidance
132 Interpretation

PART 8

CONSTRUCTION CONTRACTS

133 Requirement for construction contracts to be in writing
134 Adjudicator’s power to make corrections
135 Adjudication costs
136 Determination of payments due
137 Notices relating to payment
138 Requirement to pay notified sum
139 Suspension of performance for non-payment

PART 9

FINAL

140 Repeals
141 Extent
142 Commencement: general
143 Commencement: construction contracts
144 Short title

Schedule 1 — Boundary Committee for England
Schedule 2 — Electoral change in England: considerations on review
Schedule 3 — Electoral change in England: interim modifications of the Local Government Act 1992
Schedule 4 — Boundary and electoral change: amendments
Schedule 5 — Regional strategy: amendments
Schedule 6 — EPBs and combined authorities: amendments
Schedule 7 — Repeals
   Part 1 — Joint overview and scrutiny committees
   Part 2 — Audit of entities connected with local authorities
   Part 3 — Local government boundary and electoral change
   Part 4 — Regional strategy
   Part 5 — Construction contracts
A BILL

TO

Make provision for the purposes of promoting public involvement in relation to local authorities and other public authorities; to make provision about bodies representing the interests of tenants; to make provision about the procedures of local authorities and the audit of entities connected with them; to establish the Boundary Committee for England and to make provision relating to local government boundary and electoral change; to make provision about local and regional development; to amend the law relating to construction contracts; and for connected purposes.

BE IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PART 1

DEMOCRACY AND INVOLVEMENT

CHAPTER 1

DUTIES RELATING TO PROMOTION OF DEMOCRACY

Duties of principal local authorities

1 Democratic arrangements of principal local authorities

(1) A principal local authority has a duty to promote understanding of the following among local people—

(a) the functions of the authority;
(b) the democratic arrangements of the authority;
(c) how members of the public can take part in those democratic arrangements and what is involved in taking part.

(2) The duty under subsection (1)(c) includes in particular a duty to promote understanding of the following among local people—
(a) how to become a member of the principal local authority;
(b) what members of the principal local authority do;
(c) what support is available for members of the principal local authority.

(3) In this Chapter—

"principal local authority" means—

(a) a county or district council in England;
(b) a London borough council;
(c) the Common Council of the City of London in its capacity as a local authority;
(d) a county or county borough council in Wales;

"democratic arrangements" means arrangements for members of the public to participate in, or influence, the making of decisions;

"local people", in relation to a principal local authority, means people who live, work or study in the authority’s area.

2 Democratic arrangements of connected authorities

(1) A principal local authority has a duty to promote understanding of the following among local people—

(a) the functions of authorities which are connected with the principal local authority;
(b) the democratic arrangements of those authorities;
(c) how members of the public can take part in those democratic arrangements and what is involved in taking part.

(2) For the purposes of this section, each of the following is an authority which is connected with a principal local authority in England—

(a) any person mentioned in subsection (3) who acts or is established for an area which, or any part of which, coincides with or falls within the principal local authority’s area;
(b) the Homes and Communities Agency, so far as exercising functions in relation to the authority’s area;
(c) the Secretary of State, so far as exercising functions under sections 2 and 3 of the Offender Management Act 2007 (c. 21) in relation to the authority’s area;
(d) the managing or governing body of a maintained school in the principal local authority’s area;
(e) the managing or governing body of a further education institution in the principal local authority’s area;
(f) a National Health Service trust or NHS foundation trust which provides services at or from a hospital or other establishment or facility in the principal local authority’s area;
(g) where the principal local authority is a London borough council or the Common Council of the City of London, the Greater London Authority and Transport for London;
(h) where the principal local authority is a district council for an area for which there is a county council, the county council;
(i) where the principal local authority is a county council for an area for which there is a district council, the district council.

(3) The persons referred to in subsection (2)(a) are—
(a) a parish council;
(b) a fire and rescue authority which is not a principal local authority;
(c) a National Park authority;
(d) the Broads Authority;
(e) a police authority;
(f) a chief officer of police;
(g) a joint waste authority established under section 207(1) of the Local Government and Public Involvement in Health Act 2007 (c. 28);
(h) a waste disposal authority established under section 10 of the Local Government Act 1985 (c. 51);
(i) an Integrated Transport Authority;
(j) an economic prosperity board established under section 83 or a combined authority established under section 98;
(k) a strategic health authority;
(l) a Primary Care Trust;
(m) a local probation board or a probation trust.

(4) For the purposes of this section each of the following is an authority which is connected with a principal local authority in Wales—
(a) any person mentioned in subsection (5) who acts for or is established for an area which, or any part of which, coincides with or falls within the principal local authority’s area;
(b) the Secretary of State, so far as exercising functions under sections 2 and 3 of the Offender Management Act 2007 (c. 21) in relation to the authority’s area;
(c) the managing or governing body of any maintained school in the principal local authority’s area;
(d) a National Health Service trust which provides services at or from a hospital or other establishment or facility in the principal local authority’s area.

(5) The persons referred to in subsection (4)(a) are—
(a) a community council;
(b) a fire and rescue authority which is not a principal local authority;
(c) a National Park authority;
(d) a police authority;
(e) a chief officer of police;
(f) a Local Health Board;
(g) a local probation board or a probation trust.

(6) The appropriate national authority may by order amend this section so as to—
(a) add any person who has functions of a public nature to the authorities which are connected with a principal local authority for the purposes of this section;
(b) cause any person to cease to be an authority which is connected with a principal local authority for those purposes;
(c) change the functions in respect of which any authority is connected with a principal local authority for those purposes.

(7) Before making an order under subsection (6) the appropriate national authority must consult such representatives of local government and such other persons (if any) as that authority considers appropriate.
(8) In this section—
“further education institution” means an institution within the further education sector as defined by section 91(3) of the Further and Higher Education Act 1992 (c. 13);
“maintained school” means—
(a) a community, foundation or voluntary school (within the meaning of the School Standards and Framework Act 1998 (c. 31)),
(b) a community or foundation special school (within the meaning of that Act), and
(c) a maintained nursery school (as defined by section 22(9) of that Act).

(9) For the purposes of subsections (3)(f) and (5)(e), a chief officer of police acts and is established for the area of the chief officer’s police force.

3 Monitoring boards, court boards and youth offending teams

(1) A principal local authority has a duty to promote understanding of the following among local people—
(a) the functions of the bodies mentioned in subsection (2);
(b) how a member of the public can become a member of, or take part in, the work of those bodies;
(c) what is involved in doing so.

(2) The bodies referred to in subsection (1) are—
(a) an independent monitoring board established under section 6 of the Prison Act 1952 (c. 52) for a prison in the principal local authority’s area;
(b) a visiting committee established under section 152 of the Immigration and Asylum Act 1999 (c. 33) for a removal centre in the principal local authority’s area;
(c) a court board for an area which, or any part of which, coincides with or falls within the principal local authority’s area;
(d) a youth offending team for an area which, or any part of which, coincides with or falls within the principal local authority’s area.

4 Lay justices

(1) A principal local authority has a duty to promote understanding among local people of—
(a) the functions of a lay justice;
(b) how a member of the public can become a lay justice;
(c) what is involved in being a lay justice.

(2) In this section “lay justice” has the meaning given by section 9 of the Courts Act 2003 (c. 39).
Supplementary

5 Provision of information

(1) The duties in sections 2 and 3 do not apply to a principal local authority in relation to any other authority or body if or to the extent that, having been requested to do so, that authority or body has not made the necessary information available to the principal local authority.

(2) The duty in section 4 does not apply to a principal local authority if or to the extent that, having been requested to do so, the Lord Chancellor has not made the necessary information available to the principal local authority.

(3) For the purposes of this section the appropriate national authority may by order impose requirements relating to the provision of information to principal local authorities by—
   (a) authorities which are connected with principal local authorities for the purposes of section 2, or
   (b) the bodies referred to in section 3(2).

(4) Requirements imposed under subsection (3) may relate in particular to the provision of information by a particular authority or body or by authorities or bodies of a particular description.

(5) References in subsections (1) to (3) to principal local authorities do not include any district council for an area for which there is a county council.

(6) Where a principal local authority in England is the district council for an area for which there is a county council—
   (a) the county council must, at least once a year, pass on to the district council any information received by the county council for the purposes of section 2, 3 or 4 from or in relation to any authority, body or other person in relation to which the district council also has a duty under that section,
   (b) if at any time the county council is notified of any changes to information previously passed on by it under paragraph (a), the county council must inform the district council accordingly, and
   (c) the duties in sections 2, 3 and 4 do not apply to the district council in relation to any authority, body or other person if or to the extent that the county council has not made the necessary information available to the district council under this subsection.

6 Guidance

(1) The appropriate national authority may give guidance to principal local authorities in relation to the discharge of their duties under this Chapter.

(2) Guidance under this section—
   (a) may be given generally or to one or more particular principal local authorities;
   (b) may be different for different principal local authorities;
   (c) must be published.

(3) Before giving guidance under this section the appropriate national authority must consult the principal local authorities to which it is given.
(4) A principal local authority must, in deciding how to discharge its duties under this Chapter, have regard to any guidance given to it under this section.

7 Isles of Scilly

The Secretary of State may by order apply the provisions of this Chapter to the Council of the Isles of Scilly, with or without modifications.

General

8 Orders

(1) An order under any provision of this Chapter is to be made by statutory instrument.

(2) A statutory instrument containing an order under any provision of this Chapter made by the Secretary of State is subject to annulment in pursuance of a resolution of either House of Parliament.

(3) A statutory instrument containing an order under any provision of this Chapter made by the Welsh Ministers is subject to annulment in pursuance of a resolution of the National Assembly for Wales.

9 Interpretation

In this Chapter—

“appropriate national authority” means—

(a) the Secretary of State, in relation to principal local authorities in England;

(b) the Welsh Ministers, in relation to principal local authorities in Wales;

“principal local authority” has the meaning given by section 1;

“democratic arrangements” has the meaning given by section 1;

“local people” has the meaning given by section 1.

CHAPTER 2

PETITIONS TO LOCAL AUTHORITIES

Electronic petitions

10 Electronic petitions

(1) A principal local authority must provide a facility for making petitions in electronic form to the authority.

(2) A principal local authority must give reasons for not granting a request to use the facility provided by it under this section for the making of a petition.

(3) In this Chapter, “principal local authority” means—

(a) a county council in England;

(b) a district council in England;

(c) a London borough council;
(d) the Common Council of the City of London in its capacity as a local authority;
(e) the Council of the Isles of Scilly;
(f) a county or county borough council in Wales.

(4) In this Chapter, “e-petition facility” means a facility provided under this section.

Petition schemes

11 Petition schemes

(1) A principal local authority must make a scheme for the handling of valid petitions made to the authority.

(2) In this Chapter “petition scheme” means a scheme under this section.

(3) A petition scheme must be approved at a meeting of the authority before it comes into force.

(4) A principal local authority must publish its petition scheme—
   (a) on its website, and
   (b) in such other manner as the authority considers appropriate for bringing the scheme to the attention of persons who live, work or study in its area.

(5) A principal local authority may at any time revise its petition scheme (and subsections (3) and (4) apply in relation to any scheme which is revised under this subsection).

(6) A principal local authority must comply with its petition scheme.

(7) Subject to that, nothing in this Chapter affects the powers or duties of a principal local authority in relation to any petition to it.

12 Valid petitions

(1) In this Chapter, a “valid petition”, in relation to a principal local authority, is a petition made to the authority which—
   (a) is addressed to the authority,
   (b) requests the authority to take or cease to take action described in the petition,
   (c) is validly signed by at least the specified number of persons who live, work or study in the authority’s area,
   (d) designates one of the persons who has validly signed it as the person with whom the authority may deal in relation to the petition,
   (e) is not a petition made under and in accordance with any other enactment, and
   (f) if the petition is in electronic form, is made using the authority’s e-petition facility.

(2) In subsection (1)(c), “specified number” means the number specified for the purposes of this section in the principal local authority’s petition scheme.

(3) For the purposes of this Chapter, a petition is validly signed by a person if—
that person signs it, and
the petition states the person’s name and address and the date on which the person signed it.

(4) For the purposes of subsection (3), references to signing or signature, in the case of a petition made using a principal local authority’s e-petition facility, are to authentication in such manner as the authority’s petition scheme may specify.

(5) In this Chapter “petition organiser”, in relation to a petition, means the person designated as specified in subsection (1)(d).

13 Requirement to acknowledge valid petitions

(1) A principal local authority’s petition scheme must secure the following results where a valid petition is made to the authority—
(a) the authority must send written acknowledgement of the petition to the petition organiser within the specified period;
(b) the acknowledgement must give such information about what the authority has done or proposes to do in response to the petition as the authority considers appropriate.

(2) In subsection (1)(a), “specified period” means the period specified for the purposes of this section in the scheme.

(3) Subsection (1) does not apply in relation to a petition made using the principal local authority’s e-petition facility.

14 Requirement to take steps

(1) For the purposes of this Chapter, an “active petition”, in relation to a principal local authority, is a valid petition made to the authority where—
(a) the petition relates to a relevant matter,
(b) the petition is not in the opinion of the authority vexatious, abusive or otherwise inappropriate to be dealt with as specified in this section, and
(c) no active petition to the same or substantially similar effect has been made to the authority within the period of six months ending with the date on which the petition is made to the authority.

(2) For the purposes of subsection (1)(a) “relevant matter” means—
(a) in the case of any principal local authority, a matter which relates to a function of the authority, and
(b) in the case of a relevant principal local authority, a matter which—
(i) does not relate to a function of the authority, but
(ii) relates to an improvement in the economic, social or environmental well-being of the authority’s area to which any of its partner authorities could contribute.

(3) In subsection (2)(b)—
(a) “relevant principal local authority” means a principal local authority in England other than a non-unitary district council;
(b) “partner authority”, in relation to such an authority, has the same meaning as in Chapter 1 of Part 5 of the Local Government and Public Involvement in Health Act 2007 (c. 28).
(4) For the purposes of subsection (1)(a)—
   (a) the appropriate national authority may by order specify matters falling within subsection (2)(a) which are not to be regarded as relating to a function of the authority;
   (b) the Secretary of State may by order specify matters falling within subsection (2)(b) which are not to be regarded as relevant matters.

(5) A principal local authority’s petition scheme must secure that, where an active petition is made to the authority, the authority must take one or more steps in response to the petition.

(6) A principal local authority’s petition scheme must secure that the steps which may be taken by the authority pursuant to subsection (5) include the following—
   (a) giving effect to the request in the petition;
   (b) considering the petition at a meeting of the authority;
   (c) holding an inquiry;
   (d) holding a public meeting;
   (e) commissioning research;
   (f) giving a written response to the petition organiser setting out the authority’s views about the request in the petition;
   (g) in the case of a principal local authority operating executive arrangements, referring the petition to an overview and scrutiny committee of the authority;
   (h) in the case of a principal local authority not operating executive arrangements, referring the petition to a committee of the authority with power under or by virtue of any enactment to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions of the authority.

(7) A principal local authority’s petition scheme must secure that where an active petition is made to the authority, the authority must also within the specified period—
   (a) notify the petition organiser in writing of the steps the authority has taken or proposes to take in response to the petition and of the authority’s reasons for doing so, and
   (b) publish that notification on the authority’s website unless the authority considers that in all the circumstances it would be inappropriate to do so.

(8) In subsection (7), “specified period” means the period specified for the purposes of this section in the petition scheme.

(9) A principal local authority’s petition scheme may—
   (a) permit the notification referred to in subsection (7)(a) to be included in an acknowledgment sent pursuant to section 13(1);
   (b) in a case where the authority takes the step referred to in subsection (6)(f), permit the notification referred to in subsection (7)(a) to be included in the response referred to in subsection (6)(f).
Requirement to debate

(1) For the purposes of this section, a “petition requiring debate”, in relation to a principal local authority, is an active petition made to the authority in relation to which the conditions in subsection (2) are met.

(2) Those conditions are that—
   (a) the petition is validly signed by the specified number of persons who live, work or study in the authority’s area, and
   (b) the petition is not a petition requiring an officer to be called to account by the authority (within the meaning of section 16).

(3) A principal local authority’s petition scheme must secure that, where a petition requiring debate is made to the authority, the steps taken by the authority under section 14(5) include or comprise the step of considering the petition at a meeting of the authority.

(4) In subsection (2)(a), “specified number” means the number specified for the purposes of this section in the principal local authority’s petition scheme.

Requirement to call officer to account

(1) For the purposes of this section, a petition “requiring an officer to be called to account” by a principal local authority is an active petition made to the authority in relation to which the conditions in subsection (2) are met.

(2) Those conditions are that—
   (a) the petition is validly signed by the specified number of persons who live, work or study in the authority’s area,
   (b) the petition requests that an officer of the authority (whether identified by name or description) be called to account at a public meeting of the authority,
   (c) the officer is a relevant officer, and
   (d) the petition gives grounds for the request which relate to the discharge of functions for which the officer is responsible.

(3) In subsection (2)(a), “specified number” means the number specified for the purposes of this section in the principal local authority’s petition scheme.

(4) In subsection (2)(c), “relevant officer” means an officer of the principal local authority of a description specified for the purposes of this subsection in the authority’s petition scheme.

(5) The descriptions of officer specified under subsection (4) must include—
   (a) the statutory chief officers of the authority within the meaning of section 2 of the Local Government and Housing Act 1989 (c. 42),
   (b) the non-statutory chief officers of the authority within the meaning of that section, and
   (c) the head of the authority’s paid service.

(6) A principal local authority’s petition scheme must secure the results in subsection (7) where—
   (a) a petition requiring an officer to be called to account by the authority is made to the authority, and
   (b) the authority operates executive arrangements.
The results in this subsection are that the steps taken by the authority under section 14(5) include or comprise the following steps—

(a) the exercise by an overview and scrutiny committee of the authority of its power under subsection (13)(a) of section 21 of the Local Government Act 2000 (c. 22) to require the relevant person to attend before it to answer questions;

(b) after the relevant person has attended before the overview and scrutiny committee, the making by the committee of a report or recommendations to the authority under subsection (2) of that section;

(c) the sending by the authority of a copy of that report or those recommendations to the petition organiser.

A principal local authority’s petition scheme must secure the results in subsection (9) where—

(a) a petition requiring an officer to be called to account by the authority is made to the authority,

(b) the authority does not operate executive arrangements, and

(c) under or by virtue of any enactment the authority has a committee with power—

(i) to require officers of the authority to attend before it to answer questions, and

(ii) to make reports or recommendations to the authority.

Those results are that the steps taken by the authority under section 14(5) include or comprise the following steps—

(a) the exercise by the committee referred to in subsection (8)(c) of its power to require the relevant person to attend before it to answer questions;

(b) after the relevant person has attended before the committee, the exercise by the committee of its power to make a report or recommendations to the authority;

(c) the sending by the authority of a copy of that report or those recommendations to the petition organiser.

In each of subsections (7)(a) and (9)(a), “relevant person” means—

(a) the officer identified in the petition, or

(b) if the committee referred to in that subsection considers that for the purposes of addressing the concerns raised by the petition it would be more appropriate for another officer of the authority to attend before it, that officer.

Review of steps

A principal local authority’s petition scheme must secure the results in subsection (2) where—

(a) pursuant to an active petition made to the authority, the authority gives notification further to section 14(7)(a), and

(b) the authority operates executive arrangements.

Those results are—

(a) if the petition organiser so requests, an overview and scrutiny committee of the authority must under subsection (2)(a) of section 21 of the Local Government Act 2000 review the adequacy of the steps taken
(3) A principal local authority’s petition scheme must secure the results in subsection (2) where—

(a) pursuant to an active petition made to the authority, the authority gives notification further to section 14(7)(a),
(b) the authority does not operate executive arrangements, and
(c) under or by virtue of any enactment the authority has a committee with power to review or scrutinise decisions made, or other action taken, in connection with the discharge of functions of the authority.

(4) Those results are—

(a) if the petition organiser so requests, the authority’s committee referred to in subsection (3)(c) must exercise the power referred to in that subsection to review the adequacy of the authority’s steps in response to the petition (or exercise any power of the committee to arrange for the authority to do so);
(b) the authority must inform the petition organiser of the results of the review;
(c) the authority must publish those results on the authority’s website unless the authority considers that in all the circumstances it would be inappropriate to do so.

18 Supplementary scheme provision

(1) A principal local authority’s petition scheme may, subject to the requirements of this Chapter, include such provision as the authority making it considers appropriate.

(2) That provision may in particular include—

(a) provision relating to petitions which are not valid petitions in relation to the principal local authority;
(b) provision for handling a valid petition made to more than one principal local authority;
(c) provision for handling a petition made to one principal local authority which relates to functions of another principal local authority (including provision by virtue of which a valid petition made to one principal local authority may be regarded as a valid petition made to another principal local authority).

19 Powers of appropriate national authority

(1) The appropriate national authority may by order make provision as to what a petition scheme must or must not contain.
(2) The appropriate national authority may give guidance to one or more principal local authorities in relation to the discharge of their functions under this Chapter.

(3) Provision in an order under subsection (1) or guidance under subsection (2) may relate in particular, in the case of a petition scheme, to—
   (a) the number to be specified pursuant to section 12(2), 15(4) or 16(3),
   (b) the period to be specified pursuant to section 13(2) or 14(8), or
   (c) the officers to be specified pursuant to section 16(4).

(4) Guidance under subsection (2) may include a model petition scheme.

(5) A principal local authority may for the purpose of the discharge of its duties under this Chapter, adopt, with or without modification, the provisions of a model petition scheme under subsection (4).

(6) The appropriate national authority may direct a principal local authority to make such revisions to its petition scheme as may be specified in the direction (and subsection (4) of section 11 applies in relation to any petition scheme revised under this subsection).

(7) The powers conferred by this section are subject to the requirements of this Chapter.

20 Handling of petitions by other bodies

(1) The appropriate national authority may by order make provision for the handling of petitions by any body to which this section applies.

(2) The bodies to which this section applies are—
   (a) a parish council in England;
   (b) a community council in Wales;
   (c) the Greater London Authority;
   (d) the London Development Agency;
   (e) Transport for London;
   (f) an Integrated Transport Authority;
   (g) an economic prosperity board established under section 83 or a combined authority established under section 98;
   (h) a National Park authority;
   (i) any body specified in section 21(1)(f) to (n) of the Local Government and Housing Act 1989 (c. 42).

(3) An order under this section may be made in relation to—
   (a) one or more specified bodies to which this section applies, or
   (b) bodies to which this section applies of a particular description.

(4) The provision which may be made by an order under this section includes provision applying, with or without modification, any provision made under this Chapter in relation to the handling of petitions by principal local authorities.
Local Democracy, Economic Development and Construction Bill [HL]

Part 1 — Democracy and involvement

Chapter 2 — Petitions to local authorities

General

21 Orders

(1) Orders under this Chapter are to be made by statutory instrument.

(2) A statutory instrument containing an order under this Chapter made by the Secretary of State is subject to annulment in pursuance of a resolution of either House of Parliament.

(3) A statutory instrument containing an order under this Chapter made by the Welsh Ministers is subject to annulment in pursuance of a resolution of the National Assembly for Wales.

22 Interpretation

(1) In this Chapter—

“active petition” has the meaning given by section 14(1);

“appropriate national authority” means—

(a) the Secretary of State, in relation to a principal local authority or other authority in England;

(b) the Welsh Ministers, in relation to a principal local authority or other authority in Wales;

“e-petition facility” has the meaning given by section 10(4);

“executive arrangements” has the same meaning as in Part 2 of the Local Government Act 2000 (c. 22);

“non-unitary district council” means a district council for an area which is part of the area of a county council;

“overview and scrutiny committee”, in relation to a principal local authority operating executive arrangements, means a committee appointed by the authority under section 21 of the Local Government Act 2000;

“petition organiser” has the meaning given by section 12(5);

“petition scheme” has the meaning given by section 11(2);

“principal local authority” has the meaning given by section 10(3);

“valid petition” has the meaning given by section 12(1).

(2) For the purposes of this Chapter, the date on which a petition using a principal local authority’s e-petition facility is made to the authority is such date after the petition is first opened for signature as may be—

(a) determined by the petition organiser, or

(b) in the absence of such determination, specified in the scheme.

CHAPTER 3

INvolvement in functions of public authorities

23 Duty of public authorities to secure involvement

(1) Where an authority to which this section applies considers it appropriate for representatives of interested persons (or of interested persons of a particular description) to be involved in the exercise of any of its relevant functions by being—
(a) provided with information about the exercise of the function,
(b) consulted about the exercise of the function, or
(c) involved in another way,
it must take such steps as it considers appropriate to secure that such
representatives are involved in the exercise of the function in that way.

(2) This section applies to the following authorities—
(a) the Arts Council of England;
(b) the English Sports Council;
(c) the Environment Agency;
(d) the Health and Safety Executive;
(e) the Historic Buildings and Monuments Commission for England;
(f) the Homes and Communities Agency;
(g) the Museums, Libraries and Archives Council;
(h) Natural England;
(i) a regional development agency;
(j) an economic prosperity board established under section 83 or a
combined authority established under section 98;
(k) a police authority in England;
(l) a chief officer of police for a police force in England;
(m) a local probation board for an area in England or a probation trust
(other than a Welsh probation trust as defined by paragraph 13(6) of
Schedule 1 to the Offender Management Act 2007 (c. 21));
(n) a youth offending team for an area in England;
(o) the Secretary of State.

(3) In this section, “relevant functions” means—
(a) in relation to an authority specified in subsection (2)(a) to (n), all the
functions of the authority except in so far as those functions are not
exercisable in or in relation to England;
(b) in relation to the Secretary of State, the Secretary of State’s functions
under—
   (i) section 2 of the Employment and Training Act 1973 (c. 50)
   (arrangements with respect to obtaining etc employment or
   employees), and
   (ii) sections 2 and 3 of the Offender Management Act 2007 (c. 21)
   (responsibility for ensuring the provision of probation services
   throughout England and Wales),
except in so far as those functions are not exercisable in relation to
England.

(4) Subsection (1) does not require an authority to take a step—
(a) if the authority does not have the power to take the step apart from this
section, or
(b) if the step would be incompatible with any duty imposed on the
authority apart from this section.

(5) Subsection (1) does not apply in such cases as the Secretary of State may by
order made by statutory instrument specify.

(6) A statutory instrument containing an order under subsection (5) is subject to
annulment in pursuance of a resolution of either House of Parliament.
(7) In this section—
   “interested person”, in relation to a relevant function, means a person who
   is likely to be affected by, or otherwise interested in, the exercise of the
   function;
   “representative” means, in relation to interested persons or a description
   of interested person, a person who appears to an authority to which this
   section applies to be representative of the interested persons;
   “regional development agency” means a development agency established
   by section 1 of the Regional Development Agencies Act 1998 (c. 45).

(8) The Secretary of State’s functions under this section by virtue of subsection
(3)(b)(ii) are functions to which section 2(1)(c) of the Offender Management Act
2007 (c. 21) (functions to be performed through arrangements under section 3
of that Act) applies.

24 Duty of public authorities to secure involvement: guidance

(1) The Secretary of State may give guidance to authorities to which section 23
applies (other than the Secretary of State) in relation to the discharge of their
duties under that section.

(2) Guidance under this section—
   (a) may be given generally or to one or more particular authorities;
   (b) may be different for different authorities;
   (c) must be published.

(3) Before giving guidance under this section the Secretary of State must consult
the authority or authorities to which it is given.

(4) An authority to which section 23 applies must, in deciding how to fulfil its
duties under that section, have regard to any guidance given to it under this
section.

CHAPTER 4

HOUSING

25 Establishment and assistance of bodies representing tenants etc

(1) The Secretary of State may—
   (a) establish a body with the functions specified in subsections (2) to (5);
   (b) give financial or other assistance to any person for the purpose of
       establishing a body with those functions;
   (c) give financial or other assistance to any body appearing to the Secretary
       of State to have those functions for the purpose of the carrying out by
       the body of any or all of those functions.

(2) The function in this subsection is that of representing, or facilitating the
representation of, the views and interests of—
   (a) tenants of social housing in England, or
   (b) tenants of social housing and other residential property in England.

(3) The function in this subsection is that of conducting or commissioning research
into issues affecting—
(a) tenants of social housing in England, or
(b) tenants of social housing and other residential property in England.

(4) The function in this subsection is that of promoting the representation by other
bodies of—
(a) tenants of social housing in England or any part of England, or
(b) tenants of social housing and other residential property in England or
any part of England.

(5) It is immaterial for the purposes of subsection (1)(a) to (c) that a body may also
have other functions.

(6) Assistance under this section may be given in such form (including financial
assistance by way of grant, loan or guarantee) as the Secretary of State
considers appropriate.

(7) Assistance under this section may be given on such terms as the Secretary of
State considers appropriate.

(8) The terms on which assistance under this section may be given include, in
particular, provision as to the circumstances in which it must be repaid or
otherwise made good to the Secretary of State and the manner in which that
must be done.

(9) A person or body to whom assistance is given under this section must comply
with any terms on which it is given.

(10) In this section—
“social housing” has the meaning given by section 68 of the Housing and
Regeneration Act 2008 (c. 17);
“tenant”, in relation to social housing, has the meaning given by section
275 of that Act.

26 Consultation of bodies representing tenants etc

(1) The Housing and Regeneration Act 2008 (c. 17) is amended as follows.

(2) After section 278 insert—

“278A Power to nominate for consultation purposes

(1) The Secretary of State may for the purposes of the following provisions
of this Part nominate a body appearing to the Secretary of State to
represent the interests of tenants of social housing in England—
(a) section 112(4);
(b) section 174(5);
(c) section 196(1);
(d) section 197(4);
(e) section 216.

(2) The Secretary of State must notify the regulator of any nomination (or
withdrawal of any nomination) under this section.”

(3) In each of sections 112(4) (consultation about criteria for registration of
providers of social housing) and 174(5) (consultation about disposal of
dwellings by registered providers of social housing)—
(a) after paragraph (b) (and before the “and” following that paragraph)
(a) any body for the time being nominated under section 278A;
(b) in paragraph (c), after “one or more” insert “other”.

(4) In section 196(1) (consultation about standards etc for registered providers of social housing)—
(a) after paragraph (b) insert—
“(ba) any body for the time being nominated under section 278A,“;
(b) in paragraph (c), after “one or more” insert “other”.

(5) In section 197(4) (consultation about directions relating to standards)—
(a) after paragraph (d) insert—
“(da) any body for the time being nominated under section 278A,“;
(b) in paragraph (e), after “one or more” insert “other”.

(6) In section 216 (consultation about guidance to registered providers of social housing)—
(a) after paragraph (a) insert—
“(aa) any body for the time being nominated under section 278A,“;
(b) in paragraph (b), after “one or more” insert “other”.

Part 2

Local Authorities: Governance and Audit

Chapter 1

Governance

27 Scrutiny officers

In the Local Government Act 2000 (c. 22), after section 21 insert—

“21ZAScrutiny officers

(1) Subject as follows, a local authority in England must designate one of their officers to discharge the functions in subsection (2).

(2) Those functions are—
(a) to promote the role of the authority’s overview and scrutiny committee or committees;
(b) to provide support to the authority’s overview and scrutiny committee or committees and the members of that committee or those committees;
(c) to provide support and guidance to—
   (i) members of the authority,
   (ii) members of the executive of the authority, and
   (iii) officers of the authority,
in relation to the functions of the authority’s overview and scrutiny committee or committees.
(3) An officer designated by a local authority under this section is to be known as the authority’s “scrutiny officer”.

(4) A local authority may not designate any of the following under this section—
   (a) the head of the authority’s paid service designated under section 4 of the Local Government and Housing Act 1989;
   (b) the authority’s monitoring officer designated under section 5 of that Act;
   (c) the authority’s chief finance officer, within the meaning of that section.

(5) The duty in subsection (1) does not apply to a district council for an area for which there is a county council.

(6) In this section, references to an overview and scrutiny committee include any sub-committee of that committee.”

28 Functions of joint overview and scrutiny committees

(1) Section 123 of the Local Government and Public Involvement in Health Act 2007 (c. 28) (joint overview and scrutiny committees: local improvement targets) is amended as specified in subsections (2) to (6).

(2) In the heading, omit “local improvement targets”.

(3) In subsection (3)(a), for sub-paragraph (i) substitute—
   “(i) affects the area of the group of partner authorities or the inhabitants of that area; and”.

(4) In subsection (5)(c)(i), omit “relevant”.

(5) In subsection (6), omit—
   (a) the definition of “relevant information”, and
   (b) the words from “and section 105(2) or (3)” to the end.

(6) For subsection (8) substitute—
   “(8) In this section, “partner authority” has the same meaning as in Chapter 1 of this Part.”

(7) In section 21(2A)(e) of the Local Government Act 2000 (c. 22), omit “local improvement targets”.

29 Powers of National Assembly for Wales

(1) Schedule 5 to the Government of Wales Act 2006 (c. 32) (Assembly measures) is amended as follows.

(2) In Part 1, after the heading “Field 12: local government”, after the entry relating to Matter 12.5 insert—
   “Matter 12.6
   Arrangements by principal councils with respect to the discharge of their functions, including executive arrangements.
   This matter does not include—
(a) direct elections to executives of principal councils, or
(b) the creation of a form of executive requiring direct elections.

For the purposes of this matter—
(a) “executive arrangements” has the same meaning as in Part 2 of the Local Government Act 2000;
(b) “principal council” means a county or county borough council;
(c) “direct elections” means elections by local government electors (within the meaning of section 270(1) of the Local Government Act 1972)."

(3) In that Part, after the entry relating to Matter 12.6 (as inserted by subsection (2) above) insert—

‘Matter 12.7
Committees of principal councils with functions of—
(a) review or scrutiny, or
(b) making reports or recommendations.

This matter does not include committees under section 19 of the Police and Justice Act 2006 (crime and disorder committees).

For the purposes of this matter “principal council” means a county or county borough council.”

CHAPTER 2
AUDIT OF ENTITIES CONNECTED WITH LOCAL AUTHORITIES

Overview

(1) This Chapter makes provision for an audit authority to appoint a person to carry out audit functions in relation to a relevant entity in circumstances where it appears to the authority that the entity is or will be a qualifying English or Welsh local authority entity.

(2) For the purposes of this Chapter, each of the following is an “audit authority”—
(a) the Audit Commission;
(b) the Auditor General for Wales.

(3) In this Chapter, “relevant entity” means—
(a) a company,
(b) a limited liability partnership, or
(c) an industrial and provident society.

(4) In this Chapter, “qualifying English local authority entity” means a relevant entity which—
(a) is connected with a local authority in England, and
(b) meets such other conditions as the Secretary of State may by regulations specify.
In this Chapter, “qualifying Welsh local authority entity” means a relevant entity which—
(a) is connected with a local authority in Wales, and
(b) meets such other conditions as the Welsh Ministers may by regulations specify.

In this Chapter, “local authority” means any body which—
(a) is a local authority for the purposes of section 21 of the Local Government Act 2003 (c. 26) (see subsection (6) of that section and section 23 of that Act), and
(b) is required to prepare statements of accounts by regulations made under section 27 of the Audit Commission Act 1998 (c. 18) or section 39 of the Public Audit (Wales) Act 2004 (c. 23).

31 Notification duties of local authorities

(1) Where it comes to the attention of a local authority in England that—
(a) a relevant entity which is connected with the authority meets the conditions referred to in section 30(4)(b),
(b) a relevant entity which is connected with the authority has ceased to meet those conditions, or
(c) a relevant entity which meets those conditions has ceased to be connected with the local authority,
the authority must notify the entity and the Audit Commission accordingly.

(2) Where it comes to the attention of a local authority in Wales that—
(a) a relevant entity which is connected with the authority meets the conditions referred to in section 30(5)(b),
(b) a relevant entity which is connected with the authority has ceased to meet those conditions, or
(c) a relevant entity which meets those conditions has ceased to be connected with the local authority,
the authority must notify the entity and the Auditor General for Wales accordingly.

(3) Notification under this section must be within the period of 21 days beginning with the day on which the matter comes to the attention of the local authority.

Power to appoint auditor

32 Power to appoint auditor

(1) Subject to this Chapter, an audit authority may appoint a person to carry out audit functions in accordance with this Chapter in relation to a relevant entity.

(2) An appointment under this section is to be for a financial year of the entity.

(3) An appointment under this section must be made—
(a) before the start of the financial year to which it relates, or
(b) in the case of an appointment for the first financial year of the entity, before whichever is the earlier of—
   (i) the end of that financial year, and
(ii) the end of the period of three months beginning with the day on which the audit authority receives notification in relation to the entity under section 31(1)(a) or (2)(a).

(4) The Audit Commission may make an appointment under this section if (and only if) it appears to the Audit Commission that—
   (a) the entity will be a qualifying English local authority entity at the start of the financial year for which the appointment is made, or
   (b) in the case of an appointment for the first financial year of the entity, the entity is a qualifying English local authority entity when the appointment is made.

(5) The Auditor General for Wales may make an appointment under this section if (and only if) it appears to the Auditor General that—
   (a) the entity will be a qualifying Welsh local authority entity at the start of the financial year for which the appointment is made, or
   (b) in the case of an appointment for the first financial year of the entity, the entity is a qualifying Welsh local authority entity when the appointment is made.

(6) Before making an appointment under this section in relation to an entity the appointing audit authority must consult the entity.

(7) Where one audit authority (“the first audit authority”) proposes to appoint a person under this section in relation to an entity for a financial year in circumstances where the other audit authority could also make an appointment under this section in relation to that entity for that year—
   (a) the first audit authority must consult the other audit authority, and
   (b) the first audit authority may not make the appointment for that entity for that year if the other audit authority has already done so.

(8) After making an appointment under this section in relation to an entity the appointing audit authority must notify the local authority with which the entity is connected.

33 Power to appoint replacement auditor

(1) Where a person appointed by an audit authority under this Chapter in relation to an entity for a financial year dies, is dismissed or is unable or unwilling to act, the audit authority may (subject to this Chapter) appoint a replacement in relation to that entity for that financial year.

(2) Before making an appointment under this section the audit authority must consult the entity.

(3) After making an appointment under this section the audit authority must notify the local authority with which the entity is connected.

34 Exclusions

(1) An audit authority may not make an appointment under this Chapter in relation to an entity for a financial year if, by virtue of this section, the entity is exempt from audit for that year.

(2) A company is exempt from audit under this Chapter for a financial year if it appears to the appointing audit authority that, for the purposes of Part 16 of
the Companies Act 2006 (c. 46), the company is or will be exempt from audit under that Part for that year.

(3) A limited liability partnership is exempt from audit under this Chapter for a financial year if it appears to the appointing audit authority that, for the purposes of Part 16 of the Companies Act 2006 (c. 46) (as that Part applies to limited liability partnerships), the partnership is or will be exempt from audit under that Part for that year.

(4) An industrial and provident society is exempt from audit under this Chapter for a financial year if it appears to the appointing audit authority that subsection (1) of section 4 of the Friendly and Industrial and Provident Societies Act 1968 (c. 55) does not or will not apply to the society for that year by virtue of subsection (2) of that section or section 4A(1) of that Act.

(5) Subsection (1) does not apply if the entity requests the audit authority to make the appointment.

### Auditors

#### Eligibility for appointment

(1) A person appointed under this Chapter may be—
   (a) a member of staff of the appointing audit authority;
   (b) an individual who is not a member of staff of that authority;
   (c) a firm.

(2) The following may not be appointed under this Chapter in relation to an entity—
   (a) an individual or firm who for the purposes of section 1212 of the Companies Act 2006 is not eligible for appointment as a statutory auditor, or
   (b) an individual or firm who by virtue of section 1214 of that Act (independence requirement) may not act as statutory auditor in relation to that entity.

(3) In this section “firm” means any entity, whether or not a legal person, which is not an individual, and includes a body corporate, a corporation sole and a partnership or other unincorporated association.

#### Terms of appointment

(1) Subject to this Chapter, a person appointed under this Chapter holds office under this Chapter in accordance with the terms of their appointment.

(2) Subject to subsection (3), an appointment under this Chapter begins on the first day of the financial year for which the appointment is made.

(3) An appointment under this Chapter which—
   (a) is for the first financial year of an entity, or
   (b) is made under section 33 after the start of the financial year for which it is made,

begins on the day on which the appointment is made.

(4) An appointment under this Chapter, unless terminated earlier, ends when the person appointed has discharged their functions under this Chapter.
A person appointed under this Chapter may not be dismissed by the appointing audit authority for divergence of opinion on accounting treatments or audit procedures.

If it appears to the Audit Commission that an entity in relation to which it has appointed a person under this Chapter is not, or has ceased to be, a qualifying English local authority entity, the Commission may terminate the appointment (but is not required to do so).

If it appears to the Auditor General for Wales that an entity in relation to which the Auditor General has appointed a person under this Chapter is not, or has ceased to be, a qualifying Welsh local authority entity, the Auditor General may terminate the appointment (but is not required to do so).

Audit of accounts

37 Right of entity to appoint auditor to conduct statutory audit

(1) Where a person is appointed under this Chapter in relation to an entity for a financial year, the entity may, under and in accordance with the relevant statutory provision, appoint that person as auditor of the entity for the purposes of that provision for the financial year.

(2) An appointment pursuant to subsection (1) is to be—
   (a) on the standard terms and conditions, or
   (b) on the standard terms and conditions subject to such modifications as may be agreed between the entity and the person appointed.

(3) The audit authority must notify the entity of its right under subsection (1).

(4) Notification under subsection (3) must be before the beginning of the financial year (except in the case of an appointment for the first financial year of the entity or which is made under section 33).

(5) Termination by the audit authority of the appointment under this Chapter does not terminate an appointment made pursuant to subsection (1).

(6) In subsection (1) “the relevant statutory provision”—
   (a) in relation to a company, means Part 16 of the Companies Act 2006 (c. 46);
   (b) in relation to a limited liability partnership, means that Part of that Act as it applies to limited liability partnerships;
   (c) in relation to an industrial and provident society, means—
      (i) section 4 of the Friendly and Industrial and Provident Societies Act 1968 (c. 55), or

(7) In subsection (2), “standard terms and conditions” means terms and conditions (including terms and conditions as to payment of fees) published for the purposes of that subsection by the audit authority from time to time.

(8) Before publishing terms and conditions under subsection (7) an audit authority must consult—
(a) such associations of local authorities, and such bodies of accountants, as the audit authority considers appropriate, and
(b) the Secretary of State (in the case of the Audit Commission) or the Welsh Ministers (in the case of the Auditor General for Wales).

38 Functions of auditor not appointed to conduct statutory audit

(1) This section applies to an entity in relation to which a person is appointed under this Chapter for a financial year if—
(a) the entity does not appoint that person pursuant to section 37(1), or
(b) the entity does so appoint that person but terminates the appointment before the discharge of the person’s functions pursuant to the appointment.

(2) Where this section applies to an entity which is a company—
(a) the person appointed under this Chapter must make a report to the company on the annual accounts of the company for the financial year, and
(b) sections 495(2) to (4) and 496 to 501 of the Companies Act 2006 (c. 46) apply as if—
   (i) that report were a report under section 495(1) of that Act, and
   (ii) the person appointed under this Chapter were the company’s auditor under Part 16 of that Act.

(3) Where this section applies to an entity which is a limited liability partnership—
(a) the person appointed under this Chapter must make a report to the partnership on the annual accounts of the partnership for the financial year, and
(b) sections 495(2) to (4) and 498 to 501 of the Companies Act 2006 apply as if—
   (i) that report were a report under section 495(1) of that Act, and
   (ii) the person appointed under this Chapter were the partnership’s auditor under Part 16 of that Act.

(4) Where this section applies to an entity which is an industrial and provident society—
(a) the person appointed under this Chapter must audit the revenue account or accounts and balance sheet of the society for the financial year and make a report to the society on them,
(b) section 9(2) to (7) of the Friendly and Industrial and Provident Societies Act 1968 (c. 55) applies in relation to that report as in relation to a report under section 9(1) of that Act,
(c) section 18 of that Act applies in relation to any contravention of section 9(5) of that Act (as applied by paragraph (b)), and
(d) in a case where the society has caused group accounts for that year to be prepared as specified in section 13 of that Act, the person appointed under this Chapter must make a report to the society on the group accounts, stating the matters referred to in subsection (5) of that section.

(5) The person appointed under this Chapter must send a copy of the report made under this section to—
(a) the local authority with which the entity is connected, and
(b) the appointing audit authority.
(6) In subsection (3) references to the Companies Act 2006 (c. 46) are to that Act as it applies in relation to limited liability partnerships.

Public interest reports

39 Public interest reports

(1) A person appointed under this Chapter in relation to an entity must make a report about any relevant matter—
   (a) which comes to their attention in discharging their functions arising under or pursuant to the preceding provisions of this Chapter, and
   (b) which they consider that it would be in the public interest to bring to the attention of the entity, the local authority with which it is connected or the public.

(2) In subsection (1) “relevant matter” means—
   (a) a matter relating to the financial affairs of the entity for the financial year, or
   (b) a matter relating to the corporate governance of the entity.

(3) A report under this section must be sent to the entity before the end of the period of 14 days starting with the day on which the report is made.

(4) A copy of a report under this section must be sent before the end of that period to—
   (a) the local authority with which the entity is connected, and
   (b) the audit authority.

(5) The person appointed under this Chapter may—
   (a) notify any person of the fact that the report has been made, and
   (b) supply a copy of it or of any part of it to any person.

40 Codes of practice

(1) A code of practice under section 4 of the Audit Commission Act 1998 (c. 18) must include provision prescribing the way in which persons appointed under this Chapter by the Audit Commission are to carry out their functions under section 39.

(2) A person so appointed must, in the exercise of their functions under section 39, comply with such provision of such a code as is for the time being in force.

(3) Where provision under subsection (1) is included in a code of practice under section 4 of the Audit Commission Act 1998 for the first time, the inclusion is to be regarded as an alteration for the purposes of subsection (5) of that section.

(4) A code of practice under section 16 of the Public Audit (Wales) Act 2004 (c. 23) must include provision prescribing the way in which persons appointed under this Chapter by the Auditor General for Wales are to carry out their functions under section 39.

(5) A person so appointed must, in the exercise of their functions under section 39, comply with such provision of such a code as is for the time being in force.
41 Access to information

(1) A person appointed under this Chapter in relation to an entity (in this section referred to as an “auditor”) has a right of access at all reasonable times to every document relating to the entity which appears to the auditor necessary for the purpose of the exercise of their functions under section 39.

(2) The right conferred by subsection (1) includes power to inspect, copy or take away the document.

(3) An auditor may—
   (a) require a person holding or accountable for any document referred to in subsection (1) to give to the auditor such information or explanation as the auditor thinks necessary for the purpose of the exercise of the auditor’s functions under section 39, and
   (b) if the auditor thinks it necessary, require the person to attend before the auditor in person to give the information or explanation or to produce the document.

(4) Without prejudice to subsection (3), an auditor may—
   (a) require any officer or member of the entity to give to the auditor such information or explanation as the auditor thinks necessary for the purpose of the exercise of the auditor’s functions under section 39, and
   (b) if the auditor thinks it necessary, require the officer or member to attend before the auditor in person to give the information or explanation.

(5) In relation to any document kept in electronic form, the power in subsection (3)(b) to require a person to produce a document includes power to require it to be produced in a form in which it is legible and can be taken away.

(6) In connection with inspecting such a document, an auditor—
   (a) may obtain access to, and inspect and check the operation of, any computer and associated apparatus or material which the auditor considers is or has been used in connection with the document;
   (b) may require a person within subsection (7) to afford the auditor such reasonable assistance as the auditor may require for that purpose.

(7) The following persons are within this subsection—
   (a) a person by whom or on whose behalf the computer is or has been used;
   (b) a person having charge of, or otherwise concerned with the operation of, the computer, apparatus or material.

(8) Without prejudice to subsections (1) to (7), the entity must provide the auditor with every facility and all information which the auditor may reasonably require for the purposes of the exercise of the auditor’s functions under section 39.

(9) A person who without reasonable excuse obstructs the exercise of any power conferred by this section or fails to comply with any requirement of an auditor under this section is guilty of an offence.

(10) A person guilty of an offence under subsection (9) is liable on summary conviction—
   (a) to a fine not exceeding level 3 on the standard scale, and
   (b) to an additional fine not exceeding £20 for each day on which the offence continues after the person has been convicted of it.
(11) Any expenses incurred by an auditor in connection with proceedings for an
offence under this section, so far as not recovered from any other source, are
recoverable from the entity in relation to which the auditor is appointed.

(12) The powers under this section are in addition to any other powers which an
auditor has in relation to the exercise of the auditor’s functions under or
pursuant to this Chapter.

42 Consideration of report by entity

(1) Where a report is made under section 39 in relation to an entity, the report must
be considered—
   (a) in the case of a company, at a general meeting of the company (to be
called by the directors under section 302 of the Companies Act 2006
   (c. 46));
   (b) in the case of a limited liability partnership, at a meeting of the
members of the partnership;
   (c) in the case of an industrial and provident society, at a meeting of the
society in accordance with the rules of the society.

(2) The meeting must be held before the end of the period of one month starting
with the day on which the report is sent to it.

(3) The notice of the meeting must include a copy of the report.

(4) At the meeting the entity must decide—
   (a) whether the report requires it to take any action, and
   (b) if so, what.

(5) The entity must notify the local authority with which it is connected of—
   (a) its decision under subsection (4)(a), and
   (b) any decision under subsection (4)(b).

(6) If under subsection (4)(a) the entity decides that the report does not require it
to take any action, the notification under subsection (5)(a) must give reasons
for that decision.

(7) The person who made the report may extend the period of one month
mentioned in subsection (2) if satisfied that it is reasonable to do so to allow the
entity to comply with its duties under this section.

(8) A period may be extended under subsection (7) more than once.

(9) This section does not affect any duties (so far as they relate to the subject-matter
of a report) imposed by or under any other enactment.

43 Consideration of report by local authority

(1) Where a report is made under section 39 in relation to an entity, the local
authority with which the entity is connected must—
   (a) consider the report and the entity’s decision or decisions under section
42(4) at a relevant meeting, and
   (b) decide whether the report and the decision or decisions require the
authority to take any action, and if so what.
(2) A local authority must discharge its duty under subsection (1) before the end of the period of one month starting with the day on which the entity notifies the local authority under section 42(5).

(3) The person who made the report may extend the period of one month mentioned in subsection (2) if satisfied that it is reasonable to do so to allow the local authority to comply with its duty under subsection (1).

(4) A period may be extended under subsection (3) more than once.

(5) In subsection (1)(a) “relevant meeting” means—
   (a) in the case of a local authority not operating executive arrangements, a meeting of the authority or of a committee of the authority;
   (b) in the case of a local authority operating executive arrangements—
      (i) a meeting of the executive, or
      (ii) if the function referred to in that subsection is a responsibility of the authority, a meeting of the authority or of a committee of the authority.

(6) The notice given of the meeting to members of the authority or of the executive or committee of the authority (as the case may be) must include—
   (a) a copy of the report, and
   (b) a copy of the notification given by the entity under section 42(5).

(7) Subsections (8) and (9) apply in relation to a meeting of a local authority or of a committee of a local authority under this section.

(8) The following powers do not include power to exclude the report—
   (a) the power under section 1(4)(b) of the Public Bodies (Admission to Meetings) Act 1960 (c. 67) to exclude items from the matter supplied under that section (supply of agenda etc to newspapers);
   (b) the power under section 100B(2) of the Local Government Act 1972 (c. 70) to—
      (i) exclude documents from the documents open to inspection under section 100B(1) of that Act, or
      (ii) exclude items from the matter supplied under section 100B(7) of that Act (public access to agenda and reports before meetings and supply of agenda etc to newspapers).

(9) Part 5A of the Local Government Act 1972 has effect in relation to the report as if section 100C(1)(d) of that Act (public access to copies of reports for six years after meeting) were not limited to so much of the report as relates to an item during which the meeting was open to the public.

(10) In this section—
   (a) “executive” and “executive arrangements” have the same meanings as in Part 2 of the Local Government Act 2000 (c. 22);
   (b) references to a committee of a local authority include a sub-committee.

(11) This section does not affect any duties (so far as they relate to the subject-matter of a report under section 39) imposed by or under any other enactment.
Supplementary

44 Fees

(1) An entity in relation to which a person is appointed under this Chapter must pay the appointing audit authority a fee in respect of the discharge by that person of any of the functions specified by subsection (2) in relation to the entity.

(2) Those functions are—
   (a) functions under section 38(2) to (5);
   (b) functions under sections 39 to 43.

(3) The entity must pay a fee under this section at such time, and otherwise in accordance with such requirements, as the audit authority may specify.

(4) The amount of a fee payable under this section is, subject as follows, to be such as may be specified in or determined under a scale or scales of fees prescribed by the audit authority for the purposes of this section.

(5) Before prescribing a scale of fees under subsection (4) the audit authority must consult—
   (a) such associations of local authorities, and
   (b) such bodies of accountants,
as it considers appropriate.

(6) A scale of fees under this section is not to provide for the amount of a fee to be different depending on whether or not the person appointed under this Chapter is a member of staff of the audit authority.

(7) A scale of fees under this section and standard terms and conditions under section 37 are not to provide for fees of different amounts in respect of—
   (a) the discharge of a function referred to in subsection (2)(a), and
   (b) the discharge of an equivalent function pursuant to an appointment pursuant to section 37(1).

(8) If the Secretary of State considers it desirable or necessary to do so, the Secretary of State may by regulations prescribe a scale or scales of fees to have effect, for such period as is specified in the regulations, in place of any scale or scales prescribed by the Audit Commission under subsection (4).

(9) Before making any regulations under subsection (8) the Secretary of State must consult—
   (a) the Audit Commission, and
   (b) such associations of local authorities, and such bodies of accountants, as the Secretary of State considers appropriate.

(10) If the Welsh Ministers consider it desirable or necessary to do so, they may by regulations prescribe a scale or scales of fees to have effect, for such period as is specified in the regulations, in place of any scale or scales prescribed by the Auditor General for Wales under subsection (4).

(11) Before making any regulations under subsection (10) the Welsh Ministers must consult—
   (a) the Auditor General for Wales, and
(b) such associations of local authorities, and such bodies of accountants, as the Welsh Ministers consider appropriate.

(12) If it appears to the audit authority that the work involved in a particular case differed (or is likely to differ) substantially from that envisaged by the person prescribing the appropriate scale, the audit authority may charge a fee of an amount different from that referred to in subsection (4).

45 Power of audit authority to require information

(1) At any time after the appointment of a person under this Chapter in relation to an entity, the appointing audit authority may for the purpose specified in subsection (2) require the entity to produce to it—

(a) the accounts audited by the person pursuant to section 37 or under section 38, or

(b) any other document or information relating to the entity to which the person has or had a right of access under or pursuant to this Chapter.

(2) The purpose referred to in subsection (1) is to enable an audit authority to secure that persons appointed by the authority under this Chapter maintain proper standards.

46 Subsidiaries of Passenger Transport Executives

(1) For the purposes of this Chapter, where a relevant entity is an undertaking in relation to which a Passenger Transport Executive is a parent undertaking, the entity is to be regarded as connected with the Integrated Transport Authority for the area for which the Executive is established.

(2) In this section—

“undertaking” has the meaning given by section 1161 of the Companies Act 2006 (c. 46);

“parent undertaking” has the meaning given by section 1162 of that Act.

(3) Section 31 of the Audit Commission Act 1998 (c. 18) is repealed.

General

47 Regulations

(1) Regulations under section 30(4)(b) or (5)(b) may provide for any expression used in formulating a condition specified in the regulations to have the meaning for the time being given by a relevant document identified in the regulations.

(2) In subsection (1), “relevant document”—

(a) means a document that (at the time the regulations are made) is a document identified for the purposes of section 21(2)(b) of the Local Government Act 2003 (c. 26) by regulations made under that provision, and

(b) includes a document so identified by virtue of section 21(5) of that Act.

(3) Regulations under this Chapter must be made by statutory instrument.
A statutory instrument containing regulations under this Chapter made by the Secretary of State is subject to annulment in pursuance of a resolution of either House of Parliament.

A statutory instrument containing regulations under this Chapter made by the Welsh Ministers is subject to annulment in pursuance of a resolution of the National Assembly for Wales.

48 Interpretation

(1) In this Chapter—

“audit authority” has the meaning given by section 30(2);

“Audit Commission” means the Audit Commission for Local Authorities and the National Health Service in England;

“company” has the same meaning as in Part 16 of the Companies Act 2006 (c. 46) (see section 1 of that Act);

“financial year”—

(a) in relation to a company, has the same meaning as in Part 16 of the Companies Act 2006 (see section 390 of that Act);

(b) in relation to a limited liability partnership, has the same meaning as in Part 16 of the Companies Act 2006 (as it applies in relation to limited liability partnerships);

(c) in relation to an industrial and provident society, means a year of account within the meaning of the Friendly and Industrial and Provident Societies Act 1968 (c. 55) (see section 21 of that Act);

“industrial and provident society” means a society registered (or deemed to be registered) under the Industrial and Provident Societies Act 1965 (c. 12);

“limited liability partnership” means a limited liability partnership formed under the Limited Liability Partnerships Act 2000 (c. 12) or the Limited Liability Partnerships Act (Northern Ireland) 2002 (c. 12 (N.I.));

“local authority” has the meaning given by section 30(6);

“qualifying English local authority entity” has the meaning given by section 30(4);

“qualifying Welsh local authority entity” has the meaning given by section 30(5);

“relevant entity” has the meaning given by section 30(3).

(2) In this Chapter references to an entity being “connected with” a local authority are to be construed in accordance with subsection (6) of section 212 of the Local Government and Public Involvement in Health Act 2007 (c. 28).

PART 3

LOCAL GOVERNMENT BOUNDARY AND ELECTORAL CHANGE

Establishment of the Boundary Committee for England

49 Boundary Committee for England

(1) The Boundary Committee for England is established as a body corporate.
(2) The Boundary Committee for England is not to be regarded as a servant or agent of the Crown or as enjoying any status, immunity or privilege of the Crown.

(3) Accordingly, the property of the Boundary Committee for England is not to be regarded as the property of the Crown or as property held on behalf of the Crown.

(4) The Boundary Committee for England may do anything, except borrow money, which is calculated to facilitate, or is incidental or conducive to, the exercise of its functions.

(5) Schedule 1 (which makes further provision about the constitution and administration of the Boundary Committee for England) is part of this Part.

**Boundary Committee for England: functions relating to electoral change**

50 **Review of electoral arrangements**

(1) The Boundary Committee for England must from time to time—
   (a) conduct a review of the area of each principal council, and
   (b) recommend whether a change should be made to the electoral arrangements for that area.

(2) The Boundary Committee for England may at any time—
   (a) conduct a review of all or any part of the area of a principal council, and
   (b) recommend whether a change should be made to the electoral arrangements for the area of the principal council.

(3) In this Part “principal council” means—
   (a) a county council in England;
   (b) a district council;
   (c) the Council of the Isles of Scilly;
   (d) a London borough council.

(4) In this Part “electoral arrangements”, in relation to the area of a principal council, means—
   (a) the total number of members of the council (“councillors”),
   (b) the number and boundaries of electoral areas for the purposes of the election of councillors,
   (c) the number of councillors to be returned by any electoral area in that area, and
   (d) the name of any electoral area.

(5) Where under this section the Boundary Committee for England recommends that a change should be made to the electoral arrangements for the area of a principal council, the Committee must also recommend whether, in consequence, a change should be made to the electoral arrangements for the area of any parish council, where that area is within the area of the principal council.

(6) In this Part “electoral arrangements”, in relation to the area of a parish council, means—
   (a) the total number of members of the parish council (“parish councillors”),
(b) arrangements for the division of the parish or (in the case of a common parish council) any of the parishes into wards for the purposes of the election of parish councillors,
(c) the number and boundaries of any wards,
(d) the number of parish councillors to be returned by any ward or, in the case of a common parish council, by each parish, and
(e) the name of any ward.

(7) Section 6(2)(a) of the Local Government Act 1972 (c. 70) (electoral divisions of non-metropolitan county to return one councillor each) does not limit the recommendations that may be made under this section.

(8) Schedule 2 (which makes further provision relating to recommendations under this section) is part of this Part.

(9) A principal council or parish council must, if requested by the Boundary Committee for England to do so, provide the Committee, by such date as it may specify, with any information that it may reasonably require in connection with its functions under this section.

51 Requests for review of single-member electoral areas

(1) A principal council which falls within subsection (3) may request the Boundary Committee for England to—
   (a) conduct a review of the council’s area under section 50(2)(a), and
   (b) make recommendations as to single-member electoral areas under section 50(2)(b).

(2) In this section “recommendations as to single-member electoral areas” means recommendations, for each electoral area in the area of a principal council, as to whether the electoral area should return one member of the council.

(3) A principal council falls within this subsection if—
   (a) it is not the case that each of the electoral areas in the council’s area returns one member of the council, and
   (b) the council is subject to a scheme for whole-council elections.

(4) For the purposes of subsection (3)(b) a principal council is “subject to a scheme for whole-council elections” if, in each year in which ordinary elections of members of the council are to be held, all the members of the council are to be elected.

(5) If the Boundary Committee for England grants a request under this section, in making its recommendations it must (in addition to the matters to be considered pursuant to Schedule 2) have regard to the desirability of securing that each electoral area in the principal council’s area should return one member of the council.

(6) If the Boundary Committee for England decides not to grant a principal council’s request under this section, it must notify the council of its decision and the reasons for it.

(7) Nothing in this section prevents the Boundary Committee for England, when making recommendations as to single-member electoral areas pursuant to subsection (1), from making other recommendations under section 50(2)(b).
(8) In subsections (2) and (5), references to electoral areas are, in relation to a case where the Boundary Committee for England makes recommendations for change to the number or boundaries of electoral areas in the area of a principal council, to the recommended electoral areas.

52 Review procedure

(1) As soon as reasonably practicable after deciding to conduct a review under section 50, the Boundary Committee for England must take such steps as it considers sufficient to secure that persons who may be interested in the review are informed of—

(a) the fact that the review is to take place, and
(b) any particular matters to which the review is to relate.

(2) In conducting a review under section 50, the Boundary Committee for England must—

(a) prepare and publish draft recommendations,
(b) take such steps as it considers sufficient to secure that persons who may be interested in the recommendations are informed of them and of the period within which representations with respect to them may be made, and
(c) take into consideration any representations made to the Boundary Committee for England within that period.

(3) The Boundary Committee for England may at any time before publishing draft recommendations under subsection (2)(a) consult such persons as it considers appropriate.

(4) As soon as practicable after conducting a review under section 50, the Boundary Committee for England must—

(a) publish a report stating its recommendations, and
(b) take such steps as it considers sufficient to secure that persons who may be interested in the recommendations are informed of them.

53 Implementation of review recommendations

(1) Where a report under section 52(4) contains recommendations for electoral changes, the Boundary Committee for England may by order give effect to all or any of the recommendations.

(2) An order under this section may in particular include provision as to—

(a) the total number of members of any principal council or parish council (“councillors”);
(b) the number and boundaries of electoral areas for the purposes of the election of councillors;
(c) the number of councillors to be returned by any electoral area;
(d) the name of any electoral area;
(e) the election of councillors for any electoral area;
(f) the order of retirement of councillors;
(g) the ordinary year of election for a parish council.

(3) An order under this section may not require or authorise the holding of an election for membership of a principal council otherwise than at an ordinary election for that council.
(4) An order under this section may—
   (a) contain incidental, consequential, supplementary or transitional provision, or savings;
   (b) make different provision for different cases, including different provision for different areas or councils.

(5) The provision referred to in subsection (4)(a) may include provision—
   (a) applying any instrument made under an enactment, with or without modifications,
   (b) extending, excluding or amending any such instrument, or
   (c) repealing or revoking any such instrument.

(6) Where the Boundary Committee for England is satisfied that—
   (a) a mistake has occurred in the preparation of an order under subsection (1), and
   (b) the mistake is such that it cannot be rectified by a subsequent order under this section by virtue of section 14 of the Interpretation Act 1978 (c. 30) (implied power to amend),
the Boundary Committee for England may by order under this subsection make such provision as it thinks necessary or expedient for rectifying the mistake.

(7) In subsection (6), “mistake”, in relation to an order, includes a provision contained in or omitted from the order in reliance on information supplied by any public body which is inaccurate or incomplete.

(8) An order under this section is to be made by statutory instrument.

(9) A draft of a statutory instrument containing an order under this section is to be laid before Parliament before the instrument is made.

Boundary Committee for England: functions relating to boundary change

54 Transfer of functions relating to boundary change

(1) The functions of the Electoral Commission’s Boundary Committee under Chapter 1 of Part 1 of the Local Government and Public Involvement in Health Act 2007 (c. 28) (structural and boundary change) are, subject to this Part, transferred to the Boundary Committee for England.

(2) Accordingly, references in that Chapter to the Electoral Commission’s Boundary Committee (however expressed) are references to the Boundary Committee for England.

(3) The functions of the Electoral Commission under the enactments specified in subsection (4) are, subject to the following provisions of this Part, transferred to the Boundary Committee for England.

(4) Those enactments are—
   (a) section 2(4) of the Greater London Authority Act 1999 (c. 29) (constituencies for the Greater London Assembly);
   (b) Chapter 1 of Part 2 of the Local Government and Public Involvement in Health Act 2007 (electoral arrangements);
   (c) section 59 of that Act (change of name of electoral area);
   (d) Chapter 3 of Part 4 of that Act (parish re-organisation).
(5) In this Part the “Electoral Commission’s Boundary Committee” means the Boundary Committee for England constituted by the Electoral Commission under section 14 of the Political Parties, Elections and Referendums Act 2000 (c. 41).

Termination of involvement of Electoral Commission

55 Removal of functions relating to boundary and electoral change

(1) The duty of the Electoral Commission under section 14 of the Political Parties, Elections and Referendums Act 2000 to establish Boundary Committees is abolished so far as relating to England.

(2) Accordingly, the following provisions of that Act are repealed—
   (a) section 14 (Boundary Committees), so far as relating to England;
   (b) section 15 (Deputy Electoral Commissioners).

(3) In that Act the following provisions (which provide for the transfer of functions etc to the Electoral Commission and which are not in force or in force only to a limited extent) are repealed—
   (a) section 14 (Boundary Committees) so far as relating to Scotland, Wales and Northern Ireland;
   (b) sections 16 and 17 (transfer of functions and property etc of Boundary Commissions to the Electoral Commission);
   (c) sections 19 and 20 (transfer of functions of Local Government Boundary Commissions for Scotland and Wales to Electoral Commission);
   (d) Part 1 of Schedule 3 (amendments relating to the transfer of functions of Boundary Commissions);
   (e) in Schedule 22 (repeals), the entries relating to the Parliamentary Constituencies Act 1986 (c. 56) and the Boundary Commissions Act 1992 (c. 55).

56 Transfer schemes

(1) For the purpose of the exercise of functions conferred on the Boundary Committee for England by or under this Part, the Electoral Commission must make one or more schemes for the transfer of property, rights and liabilities from the Electoral Commission to the Boundary Committee for England.

(2) The Electoral Commission may not make a scheme under this section—
   (a) without consulting the Secretary of State;
   (b) without the consent of the Electoral Commission’s Boundary Committee.

(3) If the Electoral Commission and the Electoral Commission’s Boundary Committee fail to agree on the provision to be included in a scheme under this section, the Secretary of State may by order specify the provision to be included in the scheme.

(4) A scheme under this section must be made on or before—
   (a) 31 December 2009, or
   (b) such later date as the Secretary of State may by order specify.
(5) A transfer under a scheme under this section has effect in accordance with the terms of the scheme.

(6) A transfer under a scheme under this section may have effect—
   (a) whether or not the property, rights and liabilities would otherwise be capable of being transferred;
   (b) without any instrument or other formality being required.

(7) The rights and liabilities which may be transferred by a scheme under this section include rights and liabilities in relation to a contract of employment.

(8) The Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) apply to the transfer under a scheme under this section (whether or not the transfer is a relevant transfer for the purposes of those regulations).

(9) A scheme under this section may define the property, rights and liabilities to be transferred by specifying or describing them.

(10) A scheme under this section may include supplementary, incidental, transitional and consequential provision and may in particular—
    (a) make provision for the continuing effect of things done by the Electoral Commission in relation to anything transferred by the scheme;
    (b) make provision for the continuation of things (including legal proceedings) in the process of being done, by or on behalf of or in relation to the Electoral Commission in relation to anything transferred by the scheme;
    (c) make provision for references to the Electoral Commission in an agreement (whether written or not), instrument or other document in relation to anything transferred by the scheme to be treated (so far as necessary for the purposes of or in consequence of the transfer) as references to the Boundary Committee for England;
    (d) make provision for the shared ownership or use of any property or facilities.

(11) Where a scheme has been made under this section, the Electoral Commission and the Boundary Committee for England may (subject to any order under this section) agree in writing to modify the scheme; and any such modification is to have effect as from the date the original scheme came into effect.

(12) An order under this section is to be made by statutory instrument.

(13) A statutory instrument containing an order under this section is subject to annulment in pursuance of a resolution of either House of Parliament.

Transitional

57 Continuity of functions

(1) Anything done before the relevant day by the Electoral Commission’s Boundary Committee for the purposes of the discharge of its functions under Part 2 of the Local Government Act 1992 (c. 19) may for the purposes of the discharge of any function of the Boundary Committee for England under any of sections 50 to 53 be regarded as having been done by the Boundary Committee for England under that section.
(2) In subsection (1) “relevant day” means the day on which section 50 comes into force.

(3) Anything done before the relevant day by the Electoral Commission’s Boundary Committee for the purposes of the discharge of any function referred to in section 54(1) may for the purposes of the discharge of that function by the Boundary Committee for England under Chapter 1 of Part 1 of the Local Government and Public Involvement in Health Act 2007 (c. 28) be regarded as having been done by the Boundary Committee for England under that Chapter.

(4) Anything done before the relevant day by the Electoral Commission for the purposes of the discharge of any function under an enactment specified in section 54(4) may for the purposes of the discharge of that function by the Boundary Committee for England under that enactment be regarded as having been done by the Boundary Committee for England under that enactment.

(5) In subsections (3) and (4), “relevant day” means the day on which section 54 comes into force.

58 Interim provision

(1) Schedule 3 (which makes modifications to Part 2 of the Local Government Act 1992 (c. 19) for an interim period) is part of this Part.

(2) Where the Electoral Commission receives recommendations under Part 2 of the Local Government Act 1992 before the day on which this Act is passed, it must determine whether to give effect to any or all of those recommendations on or before 31 March 2010.

Miscellaneous

59 Electoral changes consequential on boundary change in England

(1) Chapter 1 of Part 1 of the Local Government and Public Involvement in Health Act 2007 (structural and boundary change) is amended as follows.

(2) In section 8 (review by Boundary Committee of local government areas) after subsection (6) insert—

“(6A) Where under subsection (2) the Boundary Committee recommend that a boundary change should be made in relation to any local government area, the Committee must recommend to the Secretary of State whether, in consequence, a change should be made to—

(a) the electoral arrangements of the area of a local authority;
(b) the electoral arrangements of the area of a parish council.

(6B) In subsection (6A)(a) “electoral arrangements”, in relation to the area of a local authority means—

(a) the total number of members of the local authority (“councillors”);
(b) the number and boundaries of electoral areas for the purposes of the election of councillors;
(c) the number of councillors to be returned by any electoral area in that area; and
(d) the name of any electoral area.
(6C) In subsection (6A)(b) “electoral arrangements”, in relation to the area of a parish council means—
   (a) the total number of members of the parish council (“parish councillors”);
   (b) arrangements for the division of the parish or (in the case of a common parish council) any of the parishes into wards for the purposes of the election of parish councillors;
   (c) the number and boundaries of any wards;
   (d) the number of parish councillors to be returned by any ward or, in the case of a common parish council, by each parish; and
   (e) the name of any ward.

(6D) Schedule 2 to the Local Democracy, Economic Development and Construction Act 2009 applies in relation to the making of recommendations under subsection (6A).

(6E) Where under subsection (2) the Boundary Committee recommend that a boundary change should be made in relation to the area of a London borough council, the Committee must recommend to the Secretary of State whether, in consequence, a change should be made to the area of any constituency for the London Assembly in order to comply with the rules set out in paragraph 7 of Schedule 1 to the Greater London Authority Act 1999.”

(3) In that section, in subsection (7), for “subsection (1), (2), (5) or (6)” substitute “this section”.

(4) In section 10 (implementation of recommendations), after subsection (2) insert—

“(2A) Subsections (2B) to (2D) apply where the Boundary Committee make a recommendation to the Secretary of State under section 8(6A) or (6E) in consequence of a recommendation under section 8(2).

(2B) Where under subsection (1)(a) the Secretary of State implements the recommendation under section 8(2) without modification, the Secretary of State must by order implement the recommendation under section 8(6A) or (6E).

(2C) Where pursuant to subsection (1)(a) the Secretary of State proposes to implement the recommendation under section 8(2) with modification, the Secretary of State must request the Boundary Committee to recommend whether a modification is needed to their recommendation under section 8(6A) or (6E).

(2D) Where under section (1)(a) the Secretary of State implements a recommendation under section 8(2) with modification—
   (a) if the Boundary Committee have recommended under subsection (2C) that a modification is needed to their recommendation under section 8(6A) or (6E), the Secretary of State must by order implement the recommendation under section 8(6A) or (6E) with that modification;
   (b) if the Boundary Committee have recommended under subsection (2C) that no modification is needed to the recommendation under section 8(6A) or (6E), the Secretary of State must by order implement that recommendation.”
Part 3 — Local government boundary and electoral change

41 (5) In section 11 (implementation orders: provision that may be included)—
   (a) in subsection (3), at the end insert—
       “(i) electoral matters within the meaning of section 12.”;
   (b) in subsection (4), omit paragraph (d).

(6) In section 12 (provision relating to membership etc of authorities), in
   subsection (1)—
   (a) for “section 11(4)” substitute “section 11(3)”;
   (b) at the end insert—
       “(l) the ordinary year of election for a parish council.”

60 Repeal of redundant provisions
The following provisions (which relate to the Local Government Commission for England) are repealed—
   (a) in the Local Government Act 1992 (c. 19), section 12 and Schedule 2;
   (b) in the Political Parties, Elections and Referendums Act 2000 (c. 41), section 18.

General

61 Consequential and supplementary provision

(1) Schedule 4 (which contains amendments consequential on, and supplementary to, this Part) is part of this Part.

(2) The Secretary of State may by order make such other provision as the Secretary of State considers appropriate in consequence of any provision made by this Part.

(3) The power conferred in subsection (2) includes power to amend, repeal or revoke provision contained in an enactment passed or made before the day on which this Act is passed.

(4) A order under subsection (2) is to be made by statutory instrument.

(5) A statutory instrument containing an order under subsection (2) which includes provision—
   (a) amending or repealing provision contained in an Act, or
   (b) amending or revoking provision contained in an instrument of which a draft was required to be laid before and approved by a resolution of each House of Parliament,
may not be made unless a draft of the instrument has been laid before, and approved by a resolution of each House of Parliament.

(6) A statutory instrument containing any other order under subsection (2) is subject to annulment in pursuance of a resolution of either House of Parliament.

62 Interpretation

In this Part—
   references to “the Boundary Committee for England” are to the body established under section 49;
“the Electoral Commission’s Boundary Committee” has the meaning given by section 54(5);
“electoral arrangements” has the meaning given in section 50(4) and (6);
“principal council” has the meaning given in section 50(3).

**PART 4**

LOCAL AUTHORITY ECONOMIC ASSESSMENTS

63 Local authority economic assessment

(1) A principal local authority in England must prepare an assessment of the economic conditions of its area.

(2) A principal local authority—

(a) may revise the assessment, or any part or aspect of it, at any time, and

(b) must revise the assessment, or any part of aspect of it, if the Secretary of State so directs.

(3) A direction under subsection (2)(b) may be revoked.

(4) In this Part “principal local authority” means—

(a) a county council;

(b) a district council, other than a non-unitary district council;

(c) a London borough council;

(d) the Common Council of the City of London in its capacity as a local authority;

(e) the Council of the Isles of Scilly.

(5) In discharging its functions under this section, a principal local authority must consult—

(a) its partner authorities (see section 64), and

(b) such other persons (if any) as it considers appropriate.

(6) Where a principal local authority is a county council for an area for which there is a district council, the following duties also apply in relation to the discharge by the county council of its functions under this section—

(a) the county council must consult and seek the participation of the district council;

(b) the county council must have regard to any material produced by the district council in the discharge of the district council’s functions under section 13 of the Planning and Compulsory Purchase Act 2004 (c. 5);

(c) the district council must co-operate with the county council.

(7) A principal local authority must have regard to any guidance given by the Secretary of State—

(a) as to what an assessment under this section should contain and how it should be prepared;

(b) as to when to prepare an assessment under subsection (1);

(c) as to when to revise any assessment, or any part or aspect of an assessment, under subsection (2)(a).

(8) Before giving guidance under subsection (7) the Secretary of State must consult—
(a) such representatives of local government as the Secretary of State considers appropriate, and
(b) such other persons (if any) as the Secretary of State considers appropriate.

(9) In subsection (4), “non-unitary district council” means a district council for an area that is part of the area of a county council.

64 Partner authorities

(1) For the purposes of section 63, each of the following is a partner authority in relation to a principal local authority in England—

(a) any person mentioned in subsection (2) who acts or is established for an area which, or any part of which, coincides with or falls within the principal local authority’s area;
(b) any person mentioned in subsection (3);
(c) where the principal local authority is a London borough council or the Common Council of the City of London, the Greater London Authority and Transport for London.

(2) The persons referred to in subsection (1)(a) are—

(a) a fire and rescue authority which is not a principal local authority;
(b) a National Park authority;
(c) the Broads Authority;
(d) an Integrated Transport Authority;
(e) a regional development agency;
(f) an economic prosperity board established under section 83 or a combined authority established under section 98.

(3) The persons referred to in subsection (1)(b) are—

(a) the Arts Council of England;
(b) the English Sports Council;
(c) the Environment Agency;
(d) the Historic Buildings and Monuments Commission for England;
(e) the Homes and Communities Agency;
(f) the Learning and Skills Council for England;
(g) the Museums, Libraries and Archives Council;
(h) Natural England;
(i) the Secretary of State, in relation to—
   (i) the Secretary of State’s functions under section 2 of the Employment and Training Act 1973 (c. 50) (arrangements with respect to obtaining etc employment or employees);
   (ii) the Secretary of State’s functions as highway authority by virtue of section 1 of the Highways Act 1980 (c. 66); and
   (iii) the Secretary of State’s functions as traffic authority by virtue of section 121A of the Road Traffic Regulation Act 1984 (c. 27).

(4) The Secretary of State may by order—

(a) amend subsection (2) or (3) so as to—
   (i) add to it any person who has functions of a public nature, or
   (ii) remove from it any person for the time being mentioned in it;
(b) amend subsection (3)(i) so as to—
Local Democracy, Economic Development and Construction Bill [HL]

Part 4 — Local authority economic assessments

44

(i) add to it any function of the Secretary of State, or
(ii) remove from it any function for the time being mentioned in it;

(c) make such other amendments of this section as appear to the Secretary of State to be necessary or expedient in consequence of provision made by paragraph (a) or (b).

5

(5) Before making an order under subsection (4) the Secretary of State must consult—

(a) such representatives of local government as the Secretary of State considers appropriate, and

(b) such other persons (if any) as the Secretary of State considers appropriate.

10

(6) An order under subsection (4) must be made by statutory instrument.

(7) A statutory instrument containing an order under subsection (4) is subject to annulment in pursuance of a resolution of either House of Parliament.

(8) In subsection (2)(e) “regional development agency” means an agency established by section 1 of the Regional Development Agencies Act 1998 (c. 45).

PART 5

REGIONAL STRATEGY

Regional strategy

65 Regional strategy

(1) There is to be a regional strategy for each region other than London.

(2) The regional strategy for a region is to set out—

(a) policies in relation to sustainable economic growth in the region, and

(b) policies in relation to the development and use of land in the region.

(3) In subsection (2)(a) and (b) references to the region include any part of the region.

(4) The policies referred to in subsection (2)(a) and (b) are to include policies designed to contribute to the mitigation of, and adaptation to, climate change.

(5) If to any extent a policy set out in the regional strategy conflicts with any other statement or information in the strategy, the conflict is to be resolved in favour of the policy.

(6) On the day on which this section comes into force the regional strategy for a region is to consist of—

(a) so much of the regional spatial strategy for the region subsisting immediately before that day as the Secretary of State may by direction specify, and

(b) so much of the regional economic strategy for the region subsisting immediately before that day as the Secretary of State may so specify.

(7) In a case where the area of a National Park falls within two or more regions, the Secretary of State may by regulations provide that the National Park is for the
purposes of this Part to be treated as falling wholly within a region specified in the regulations.

(8) In this section “development” and “land” have the same meanings as in the Town and Country Planning Act 1990 (c. 8) (see section 336 of that Act).

**Authorities relevant to this Part**

66 **Leaders’ Boards**

(1) The participating authorities in each region other than London must for the purposes of this Part make a scheme for the establishment and operation of a body (whether or not incorporated) for the region.

(2) A body under subsection (1) is to be known as a “Leaders’ Board”.

(3) For the purposes of this section, “participating authority,” in relation to a region, means any of the following authorities whose area falls wholly or partly within the region—
   (a) a district council;
   (b) a county council;
   (c) a National Park authority;
   (d) the Broads Authority.

(4) Before making a scheme under subsection (1) the participating authorities in a region must consult such persons (if any) as they consider appropriate.

(5) After making a scheme under subsection (1) the participating authorities in a region must submit it to the Secretary of State for approval.

(6) If the Secretary of State approves a scheme under subsection (1), the participating authorities are to establish the body in accordance with the scheme.

(7) The Secretary of State may give such sums as the Secretary of State considers appropriate—
   (a) to a Leaders’ Board, or
   (b) to a participating authority in a region in respect of the Leaders’ Board for the region.

(8) If the Secretary of State considers that a Leaders’ Board established for a region is not operating effectively, the Secretary of State may by direction withdraw approval for the scheme under which it is established (and subsection (6) accordingly ceases to apply in relation to that scheme).

67 **Responsible regional authorities**

(1) References in this Part to “responsible regional authorities”, in relation to a region, are to the following (acting jointly)—
   (a) the regional development agency for the region, and
   (b) the Leaders’ Board for the region.

(2) But if during any period after the coming into force of this section there is no Leaders’ Board for a region, the references in this Part to “responsible regional authorities” are in relation to that period and region to be read as references to the regional development agency for the region.
**Review and revision by responsible regional authorities**

1. The responsible regional authorities must keep the regional strategy for their region under review.

2. The responsible regional authorities may prepare a draft revision of the regional strategy for their region when it appears to them necessary or expedient to do so.

3. The responsible regional authorities must give notice to the Secretary of State of their intention to prepare a draft revision under this section.

4. The responsible regional authorities must prepare a draft revision of the regional strategy for their region—
   - at such time as may be specified in regulations made by the Secretary of State, or
   - when directed to do so by the Secretary of State.

5. A direction under subsection (4)(b) may in particular require a draft revision of a regional strategy—
   - in relation to aspects of the strategy specified in the direction;
   - in accordance with a timetable so specified.

**Community involvement**

1. For the purposes of the exercise of their functions in relation to the revision of the regional strategy for their region, the responsible regional authorities must prepare and publish a statement of their policies as to the involvement of persons who appear to them to have an interest in the exercise of those functions.

2. The responsible regional authorities must keep those policies under review and from time to time—
   - revise the statement, and
   - publish the revised statement.

3. The responsible regional authorities must comply with the statement or revised statement in the exercise of the functions referred to in subsection (1).

**Examination in public**

1. The responsible regional authorities may when preparing a draft revision of their regional strategy arrange for an examination in public to be held.

2. In deciding whether or not to arrange for an examination in public to be held the responsible regional authorities must have regard to—
   - the extent of the revisions proposed by the draft revision,
   - the level of interest shown in the draft revision, and
   - such other matters as the responsible regional authorities consider appropriate.

3. The responsible regional authorities must inform the Secretary of State of their decision under subsection (2).
(4) If the responsible regional authorities decide to arrange for an examination in public to be held, the Secretary of State must appoint a person to hold it.

(5) If the responsible regional authorities decide not to arrange for an examination in public to be held, the Secretary of State may—
   (a) arrange for such an examination to be held, and
   (b) appoint a person to hold it.

(6) In deciding pursuant to subsection (5) whether or not to arrange for an examination in public to be held the Secretary of State must have regard to—
   (a) the extent of the revisions proposed by the draft revision,
   (b) the level of interest shown in the draft revision, and
   (c) such other matters as the Secretary of State considers appropriate.

(7) No person has a right to be heard at an examination in public under this section.

(8) An examination in public under this section—
   (a) is a statutory inquiry for the purposes of Schedule 7 to the Tribunals, Courts and Enforcement Act 2007 (c. 15) (Administrative Justice and Tribunals Council), but
   (b) is not a statutory inquiry for the purposes of the Tribunals and Inquiries Act 1992 (c. 53).

(9) After an examination in public under this section the person appointed to hold it must—
   (a) make a report of the examination to the responsible regional authorities, and
   (b) send a copy to the Secretary of State.

71 Matters to be taken into account in revision

(1) In preparing a draft revision of the regional strategy for their region, the responsible regional authorities must have regard to—
   (a) national policies and advice contained in guidance which has been given by the Secretary of State;
   (b) the regional strategy for each adjoining region (other than London);
   (c) if any part of their region adjoins London—
      (i) the spatial development strategy; and
      (ii) the London Development Agency strategy under section 7A of the Regional Development Agencies Act 1998 (c. 45);
   (d) if any part of their region adjoins Scotland, the National Planning Framework for Scotland;
   (e) if any part of their region adjoins Wales, the Wales Spatial Plan;
   (f) the resources likely to be available for implementation of the regional strategy;
   (g) the desirability of making different provision in relation to different parts of the region;
   (h) any report pursuant to an examination in public under section 70;
   (i) any representations made to them in respect of the draft which were not considered at an examination in public under that section;
   (j) such other matters as the Secretary of State may by regulations prescribe.
(2) In preparing a draft revision of a regional strategy for their region the responsible regional authorities must—
   (a) carry out an appraisal of the sustainability of the proposals in the draft, and
   (b) prepare a report of the findings of the appraisal.

72 Approval of revision by Secretary of State

(1) When the responsible regional authorities have prepared a draft revision of a regional strategy, they must—
   (a) publish it, together with the report referred to in section 71(2)(b), and
   (b) submit it and that report to the Secretary of State.

(2) Where a draft revision of a regional strategy is submitted under subsection (1)(b) the Secretary of State may—
   (a) approve the draft, or
   (b) modify it and approve it as modified.

(3) The Secretary of State must consult such persons (if any) as the Secretary of State considers appropriate—
   (a) before approving the draft under subsection (2)(a);
   (b) before modifying the draft and approving it as modified under subsection (2)(b).

(4) In deciding whether to make any modifications to the draft the Secretary of State must have regard to—
   (a) any report pursuant to an examination in public under section 70,
   (b) any representations made to the responsible regional authorities in respect of the draft which were not considered at an examination in public under that section, and
   (c) any representations made to the Secretary of State.

(5) The Secretary of State must publish any revision approved under this section.

73 Reserve powers of Secretary of State

(1) The Secretary of State may revise a regional strategy if the responsible regional authorities fail to comply with—
   (a) the requirement under section 68(4)(a), or
   (b) a direction under section 68(4)(b).

(2) Before revising a regional strategy under subsection (1) the Secretary of State—
   (a) may arrange for an examination in public to be held and appoint a person to hold it;
   (b) must consult such persons (if any) as the Secretary of State considers appropriate.

(3) Subsections (6) to (9) of section 70 apply in relation to an examination in public under this section.

(4) In deciding whether to revise a regional strategy under subsection (1) the Secretary of State must have regard to—
   (a) any report pursuant to an examination in public under subsection (2)(a), and
(b) any representations made to the Secretary of State in respect of the draft which were not considered at such an examination in public.

(5) The Secretary of State must publish a strategy as revised under subsection (1).

(6) If the Secretary of State thinks it necessary or expedient to do so the Secretary of State may at any time revoke all or any part of a regional strategy.

74 Revision: supplementary

(1) The Secretary of State may make regulations (subject to the requirements of this Part) as to—

(a) the procedure to be followed by the responsible regional authorities in relation to revision of their regional strategy;

(b) the procedure to be followed at an examination in public under this Part;

(c) the remuneration and allowances payable to a person appointed to carry out an examination in public under this Part;

(d) the procedure to be followed by the Secretary of State in exercising functions under section 72 or 73.

(2) The Secretary of State may direct that where—

(a) before the day on which this section comes into force any step is taken in connection with the preparation of a revision of the regional spatial strategy or regional economic strategy for a region, and

(b) the Secretary of State thinks that the step corresponds to a step which must or may be taken under this Part in connection with the revision of the regional strategy for the region,

the step is to be regarded as having been taken under this Part in connection with the revision of the regional strategy.

Implementation of strategy

75 Implementation

(1) The responsible regional authorities must produce and publish, and from time to time revise, a plan for implementing the regional strategy for their region.

(2) The responsible regional authorities must for each period of twelve months prepare a report on the implementation of the regional strategy for their region.

(3) A report under subsection (2)—

(a) must be in respect of such period of twelve months as may be specified by the Secretary of State in regulations,

(b) must be in such form and contain such information as may be so specified, and

(c) must be submitted to the Secretary of State on such date as may be so specified.
Effect of strategy

Regional strategy as part of the development plan

(1) In section 38 of the Planning and Compulsory Purchase Act 2004 (c. 5) (development plan), in subsection (3)(a), for “regional spatial strategy” substitute “regional strategy”.

(2) For the purposes of that section, during the interim period a regional strategy is to be regarded as consisting solely of the matters referred to section 65(6)(a).

(3) In subsection (2) “interim period” means the period after the coming into force of this section and before whichever is the earlier of—
   (a) publication of a revision to the strategy under section 72(5), or
   (b) publication of a revised strategy under section 73.

Duties of regional development agencies

In the Regional Development Agencies Act 1998 (c. 45), for section 7 (strategy) substitute—

“7 Regional strategy

(1) A regional development agency shall in exercising its functions have regard to the regional strategy for its region.

(2) In subsection (1) “regional strategy” means the regional strategy under Part 5 of the Local Democracy, Economic Development and Construction Act 2009.

(3) Subsection (1) does not apply in relation to the London Development Agency.”

Supplementary

Sustainable development

(1) The responsible regional authorities and the Secretary of State must exercise their functions under this Part in relation to the regional strategy for a region with the objective of contributing to the achievement of sustainable development.

(2) For the purposes of subsection (1) the responsible regional authorities in relation to a region and the Secretary of State must (in particular) have regard to the desirability of achieving good design.

Guidance and directions

(1) The Secretary of State may give to any person exercising functions under this Part—
   (a) guidance, or
   (b) directions
in relation to the exercise of those functions.

(2) Guidance under subsection (1)(a) may in particular include guidance as to—
(a) the exercise of functions under this Part in relation to the requirement
in section 65(2) that a regional strategy must contain policies in relation
to sustainable economic growth;
(b) the matters to be included in a scheme under section 66.

(3) Directions under this section may be of a general or particular nature.

(4) The powers conferred by this section are without prejudice to any powers of
the Secretary of State to give guidance or directions under this Part or under
any other enactment.

80  Consequential provision

(1) Schedule 5 (which contains amendments consequential on this Part) is part of
this Part.

(2) The Secretary of State may by order make such other provision as the Secretary
of State considers appropriate in consequence of any provision made by or
under this Part.

(3) The power conferred in subsection (2) includes power to amend, repeal or
revoke provision contained in an enactment passed or made before the day on
which this Act is passed.

(4) A order under subsection (2) is to be made by statutory instrument.

(5) A statutory instrument containing an order under subsection (2) which
includes provision—
   (a) amending or repealing provision contained in an Act, or
   (b) amending or revoking provision contained in an instrument of which a
draft was required to be laid before and approved by a resolution of
each House of Parliament,
may not be made unless a draft of the instrument has been laid before, and
approved by a resolution of each House of Parliament.

(6) A statutory instrument containing any other order under subsection (2) is
subject to annulment in pursuance of a resolution of either House of
Parliament.

General

81  Regulations

(1) Regulations under this Part are to be made by statutory instrument.

(2) A statutory instrument containing regulations under this Part is subject to
annulment in pursuance of a resolution of either House of Parliament.

82  Interpretation

In this Part—
“London” means the London region specified in Schedule 1 to the
Regional Development Agencies Act 1998 (c. 45);
“region” means a region specified in Schedule 1 to the Regional
Development Agencies Act 1998;
“regional development agency” means a development agency established under section 1 of the Regional Development Agencies Act 1998 (c. 45);
“responsible regional authorities” has the meaning given by section 67;
“regional economic strategy” means a strategy under section 7 of the Regional Development Agencies Act 1998 (as in force immediately before the coming into force of section 65);
“regional spatial strategy” means a strategy under section 1 of the Planning and Compulsory Purchase Act 2004 (c. 5) (as in force immediately before the coming into force of section 65).

PART 6

ECONOMIC PROSPERITY BOARDS AND COMBINED AUTHORITIES

83 EPBs and their areas

(1) The Secretary of State may by order establish as a body corporate an economic prosperity board (an “EPB”) for an area that meets the following conditions.

(2) Condition A is that the area consists of the whole of two or more local government areas in England.

(3) Condition B is that no part of the area is separated from the rest of it by one or more local government areas that are not within the area.

(4) Condition C is that there is no local government area that is surrounded by local government areas that are within the area but that is not itself within the area.

(5) Condition D is that no part of the area forms part of—
   (a) the area of another EPB, or
   (b) the area of a combined authority.

(6) Condition E is that each local government area that forms part of the area was included in a scheme prepared and published under section 93.

(7) In this Part “local government area” means the area of—
   (a) a county council, or
   (b) a district council.

(8) An order under this section must specify the name by which the EPB is to be known.

Constitution and functions of EPBs

84 Constitution

(1) The Secretary of State may by order make provision in relation to an EPB about—
   (a) the membership of the EPB;
   (b) the voting powers of members of the EPB;
   (c) the executive arrangements of the EPB.
Local Democracy, Economic Development and Construction Bill [HL]

Part 6 — Economic prosperity boards and combined authorities

(2) The provision that may be made about membership includes provision about—
   (a) the number and appointment of members of the EPB;
   (b) the remuneration of, and pensions or allowances payable to or in respect of, any member of the EPB.

(3) The provision that may be made about voting powers includes provision for different weight to be given to the vote of different descriptions of member.

(4) The provision that may be made about executive arrangements includes provision about—
   (a) the appointment of an executive;
   (b) the functions of the EPB that are the responsibility of an executive;
   (c) the functions of the EPB that are the responsibility of an executive and that may be discharged by a committee of the EPB or by a body other than the EPB;
   (d) arrangements relating to the review and scrutiny of the discharge of functions;
   (e) access to information on the proceedings of an executive of the EPB;
   (f) the disapplication of section 15 of the Local Government and Housing Act 1989 (c. 42) (duty to allocate seats to political groups) in relation to an executive of the EPB or a committee of such an executive;
   (g) the keeping of a record of any arrangements relating to the EPB and falling within paragraphs (a) to (f).

(5) An order under this section may not provide for the budget of an EPB to be agreed otherwise than by the EPB.

85 Constitution: membership and voting

(1) An order under section 84 that includes provision about the number and appointment of members of an EPB must provide—
   (a) for a majority of the members of the EPB to be appointed by the EPB’s constituent councils,
   (b) for those members to be appointed from among the elected members of the constituent councils, and
   (c) for each constituent council that is a representative council to appoint at least one of its elected members as a member of the EPB.

(2) For the purposes of this section—
   (a) a county council is a constituent council of an EPB if the area of the county council, or part of that area, is within the EPB’s area;
   (b) a district council is a constituent council of an EPB if the area of the district council is within the EPB’s area.

(3) For the purposes of this section, the following are representative councils in relation to an EPB—
   (a) if the EPB’s area coincides with or includes the whole of the area of a county council, the county council;
   (b) if the EPB’s area includes part of the area of a county council—
      (i) the county council, or
      (ii) each district council for an area within that part, as determined by or in accordance with the order;
(c) if the EPB’s area includes the area of a unitary district council, the district council.

(4) In this Part “unitary district council” means a district council whose area is not part of the area of a county council.

(5) If an order under section 84 provides for members of an EPB to be appointed otherwise than from among the elected members of its constituent councils, the order must provide for those members to be non-voting members.

(6) The voting members of an EPB may resolve that provision made in accordance with subsection (5) is not to apply in the case of the EPB.

86 Exercise of local authority functions

(1) The Secretary of State may by order provide for a function of a local authority that is exercisable in relation to an area within an EPB’s area to be exercisable by the EPB in relation to the EPB’s area.

(2) The Secretary of State may make an order under this section only if the Secretary of State considers that the function can appropriately be exercised by the EPB.

(3) An order under this section may make provision for the function to be exercisable by the EPB either generally or subject to such conditions or limitations as may be specified in the order.

(4) An order under this section may make provision—
   (a) for the function to be exercisable by the EPB instead of by the local authority, or
   (b) for the function to be exercisable by the EPB concurrently with the local authority.

(5) An EPB must perform the functions that are exercisable by the EPB by virtue of this section with a view to promoting the economic development and regeneration of its area.

(6) In this section “local authority” means—
   (a) a county council, or
   (b) a district council.

87 Funding

(1) The Secretary of State may by order make provision—
   (a) for the costs of an EPB to be met by its constituent councils, and
   (b) about the basis on which the amount payable by each constituent council is to be determined.

(2) For the purposes of this section—
   (a) a county council is a constituent council of an EPB if the area of the county council, or part of that area, is within the EPB’s area;
   (b) a district council is a constituent council of an EPB if the area of the district council is within the EPB’s area.
88 Accounts

(1) Each EPB must keep a fund to be known as the general fund.

(2) All receipts of the EPB must be carried to that fund.

(3) All liabilities falling to be discharged by the EPB must be discharged out of that fund.

(4) Accounts must be kept of—
   (a) receipts carried to the general fund, and
   (b) payments made out of the general fund.

89 Change of name

(1) An EPB may change its name by a resolution in accordance with this section.

(2) The resolution must be considered at a meeting of the EPB that is specially convened for the purpose.

(3) Particulars of the resolution must have been included in the notice of the meeting.

(4) The resolution must be passed at the meeting by not less than two-thirds of the members of the EPB who vote on it.

(5) An EPB that changes its name under this section must—
   (a) send notice of the change to the Secretary of State, and
   (b) publish the notice in such manner as the Secretary of State may direct.

(6) A change of name under this section does not affect the rights or obligations of the EPB or any other person, or render defective any legal proceedings.

(7) Any legal proceedings may be commenced or continued as if there had been no change of name.

Changes to and dissolution of an EPB’s area

90 Changes to boundaries of an EPB’s area

(1) The Secretary of State may by order change the boundaries of an EPB’s area by—
   (a) adding a local government area to an existing area of an EPB, or
   (b) removing a local government area from an existing area of an EPB.

(2) An order may be made under this section only if—
   (a) the area to be created by the order meets conditions A to D in section 83, and
   (b) each council to whom this section applies consents to the making of the order.

(3) This section applies to—
   (a) a county council whose area, or part of whose area, is to be added to or removed from the existing area of the EPB;
   (b) a unitary district council whose area is to be added to or removed from the existing area of the EPB.
91 **Dissolution of an EPB’s area**

(1) The Secretary of State may by order—
   (a) dissolve an EPB’s area, and
   (b) abolish the EPB for the area.

(2) An order may be made under this section only if a majority of the councils to whom this section applies consent to the making of the order.

(3) This section applies to—
   (a) a county council whose area, or part of whose area, is within the EPB’s area;
   (b) a unitary district council whose area is within the EPB’s area.

**Requirements in connection with orders about EPBs**

92 **Review by authorities: new EPB**

(1) Any two or more of the authorities to whom this section applies may undertake a review of the effectiveness and efficiency of arrangements to promote economic development and regeneration within the area covered by the review (“the review area”).

(2) This section applies to—
   (a) a county council in England;
   (b) a district council in England.

(3) Where the review is being undertaken by a county council, the review area must include—
   (a) the areas of one or more district councils that are within the area of the county council, or
   (b) if there are no such areas, the area of the county council.

(4) Where the review is being undertaken by a district council, the review area must include the area of the district council.

(5) The review area may also include the area of any county council or district council in England not undertaking the review.

93 **Preparation and publication of scheme: new EPB**

(1) This section applies where two or more of the authorities that have undertaken a review under section 92 conclude that the establishment of an EPB for an area would be likely to improve—
   (a) the exercise of statutory functions relating to economic development and regeneration in the area, and
   (b) economic conditions in the area.

(2) The authorities may prepare and publish a scheme for the establishment of an EPB for the area (“the scheme area”).

(3) Subject as follows, the scheme area—
   (a) must consist of or include the whole or any part of the review area,
   (b) may include one or more other local government areas, and
   (c) must meet conditions A to C in section 83.
(4) The scheme area may not include a local government area unless each appropriate authority for that area—
   (a) participates in the preparation of the scheme, or
   (b) consents to its inclusion in the scheme area.

(5) For this purpose—
   (a) a county council is an appropriate authority for a local government area
      that is or forms part of the area of that county council;
   (b) a district council is an appropriate authority for a local government
      area that is the area of that district council.

This is subject to subsection (6).

(6) If the scheme area includes the areas of two or more district councils that, taken together, constitute the area of a county council, only the county council is an appropriate authority for those areas.

94 Requirements in connection with establishment of EPB

(1) The Secretary of State may make an order establishing an EPB for an area only if, having regard to a scheme prepared and published under section 93, the Secretary of State considers that to do so is likely to improve—
   (a) the exercise of statutory functions relating to economic development and regeneration in the area, and
   (b) economic conditions in the area.

(2) Before making the order, the Secretary of State must consult—
   (a) each appropriate authority, and
   (b) such other persons (if any) as the Secretary of State considers appropriate.

(3) For the purposes of this section—
   (a) a county council is an appropriate authority if the area of the county council, or part of that area, is within the area for which the EPB is to be established;
   (b) a district council is an appropriate authority if the area of the district council is within the area for which the EPB is to be established.

(4) In making the order, the Secretary of State must have regard to the need—
   (a) to reflect the identities and interests of local communities, and
   (b) to secure effective and convenient local government.

95 Review by authorities: existing EPB

(1) Any one or more of the authorities to whom this section applies may undertake, in relation to an existing EPB, a review of one or more EPB matters.

(2) This section applies to—
   (a) an EPB;
   (b) a county council whose area, or part of whose area, is within an area of an EPB or could be within a proposed area of an EPB;
   (c) a district council whose area is within an area of an EPB or could be within a proposed area of an EPB.

(3) For the purposes of this section an “EPB matter” is—
(a) a matter in relation to which an order may be made under any of sections 84, 86, 87, 90 and 91;
(b) a matter concerning the EPB that the EPB has power to determine.

(4) The review must relate to one or more areas of an EPB or proposed areas of an EPB.

(5) In this section and section 96 a “proposed area of an EPB” means an area of an EPB that may be created by an order under section 90 (changes to boundaries of an EPB’s area).

96 Preparation and publication of scheme: existing EPB

(1) This section applies where one or more of the authorities that have undertaken a review under section 95 conclude that the exercise of the power to make an order under any one or more of sections 84, 86, 87, 90 and 91 would be likely to improve—
   (a) the exercise of statutory functions relating to economic development and regeneration in an area of an EPB or a proposed area of an EPB, or
   (b) economic conditions in such an area.

(2) The authorities may prepare and publish a scheme relating to the power or powers in question.

(3) The reference in subsection (1) to an area of an EPB includes an area that would cease to be an area of an EPB if an order were made in relation to that area under section 91 (dissolution of an EPB’s area).

97 Requirements in connection with changes to existing EPB arrangements

(1) The Secretary of State may make an order under any of sections 84, 86, 87, 90 and 91 in relation to an existing EPB only if, having regard to a scheme prepared and published under section 96, the Secretary of State considers that the making of the order is likely to improve—
   (a) the exercise of statutory functions relating to economic development and regeneration in the area or areas to which the order relates, or
   (b) economic conditions in that area or those areas.

(2) Before making the order, the Secretary of State must consult—
   (a) such of the authorities mentioned in section 95(2), and
   (b) such other persons (if any), as the Secretary of State considers appropriate.

(3) In making the order, the Secretary of State must have regard to the need—
   (a) to reflect the identities and interests of local communities, and
   (b) to secure effective and convenient local government.

Combined authorities and their areas

98 Combined authorities and their areas

(1) The Secretary of State may by order establish as a body corporate a combined authority for an area that meets the following conditions.
(2) Condition A is that the area consists of the whole of two or more local government areas in England.

(3) Condition B is that no part of the area is separated from the rest of it by one or more local government areas that are not within the area.

(4) Condition C is that there is no local government area that is surrounded by local government areas that are within the area but that is not itself within the area.

(5) Condition D is that no part of the area forms part of—
   (a) the area of another combined authority,
   (b) the area of an EPB, or
   (c) an integrated transport area.

(6) Condition E is that each local government area that forms part of the area was included in a scheme prepared and published under section 104.

(7) An order under this section must specify the name by which the combined authority is to be known.

99 Constitution and functions: transport

(1) The Secretary of State may by order make in relation to a combined authority any provision that may be made in relation to an Integrated Transport Authority (an “ITA”) under the following provisions of the Local Transport Act 2008 (c. 26)—
   (a) section 84 (constitutional arrangements);
   (b) section 86 (delegation of functions of the Secretary of State);
   (c) section 87 (delegation of local authority functions);
   (d) section 88 (conferral of a power to direct).

(2) Section 85 of that Act (provision about membership of an ITA) applies to—
   (a) an order under subsection (1)(a) of this section, and
   (b) the combined authority to whom that order applies,
   as it applies to an order under section 84 of that Act and the ITA to whom that order applies.

(3) The following provisions of that Act apply in relation to a combined authority on whom functions of a kind described in section 88 of that Act are conferred as they apply in relation to an ITA on whom such functions are conferred—
   (a) section 88(10) (provisions about directions);
   (b) section 89(2) and (3) (power to remedy contravention of direction).

(4) Section 97 of that Act (change of name of ITA) applies to a combined authority as it applies to an ITA.

(5) The Secretary of State may by order transfer functions of an ITA to a combined authority.

(6) An order under subsection (5) may only be made in relation to functions exercisable by the ITA in relation to an area that becomes, or becomes part of, the combined authority’s area by virtue of an order under this Part.

(7) The Secretary of State may by order provide for any function that is conferred or imposed on a Passenger Transport Executive by any enactment (whenever
passed or made) to be exercisable by a combined authority or the executive body of a combined authority in relation to the combined authority’s area.

(8) An order under subsection (7) may make provision for any function that—
   (a) is conferred or imposed on an ITA by any enactment (whenever passed or made), and
   (b) relates to the functions of a Passenger Transport Executive,

100 Constitution and functions: economic development and regeneration

(1) The Secretary of State may by order make in relation to a combined authority any provision that may be made in relation to an EPB under section 86 (exercise of local authority functions).

(2) Subsection (5) of section 86 (duty to perform functions with a view to promoting economic development and regeneration) applies to the exercise of functions by a combined authority by virtue of subsection (1) of this section as it applies to the exercise of functions by an EPB by virtue of that section.

(3) The Secretary of State may by order make in relation to a combined authority any provision that may be made in relation to an EPB under section 87 (funding).

(4) An order under subsection (3) may make such provision only in relation to the costs of a combined authority that are reasonably attributable to the exercise of its functions relating to economic development and regeneration.

101 Changes to boundaries of a combined authority’s area

(1) The Secretary of State may by order change the boundaries of a combined authority’s area by—
   (a) adding a local government area to an existing area of a combined authority, or
   (b) removing a local government area from an existing area of a combined authority.

(2) An order may be made under this section only if—
   (a) the area to be created by the order meets conditions A to D in section 98, and
   (b) each council to whom this subsection applies consents to the making of the order.

(3) Subsection (2) applies to—
   (a) a county council whose area, or part of whose area, is to be added to or removed from the existing area of the combined authority;
   (b) a unitary district council whose area is to be added to or removed from the existing area of the combined authority.

(4) Where by virtue of an order an area ceases to be part of the area of a combined authority, the order—
   (a) must make provision for designating an authority to be a local transport authority for the area for the purposes of section 108(4) of the Transport Act 2000 (c. 38), and
(b) may transfer functions to that authority from the combined authority that was formerly the local transport authority.

(5) Provision made by virtue of subsection (4) may designate different authorities for different parts of the area.

(6) The reference in subsection (4)(a) to an authority does not include an ITA.

(7) Subsection (4) does not apply if the area becomes part of the integrated transport area of an ITA by virtue of an order under section 78 or 90 of the Local Transport Act 2008 (c. 26).

102 Dissolution of a combined authority's area

(1) The Secretary of State may by order—
   (a) dissolve a combined authority’s area, and
   (b) abolish the combined authority for that area.

(2) An order may be made under this section only if a majority of the councils to whom this subsection applies consent to the making of the order.

(3) Subsection (2) applies to—
   (a) a county council whose area, or part of whose area, is within the combined authority’s area;
   (b) a unitary district council whose area is within the combined authority’s area.

(4) The order—
   (a) must make provision for designating an authority to be a local transport authority for the area that was previously the combined authority’s area for the purposes of section 108(4) of the Transport Act 2000 (c. 38), and
   (b) may transfer functions to that authority from the combined authority that was formerly the local transport authority.

(5) Provision made by virtue of subsection (4) may designate different authorities for different parts of the area.

(6) The reference in subsection (4)(a) to an authority does not include an ITA.

(7) Subsection (4) does not apply to a territory or part of a territory that becomes the integrated transport area or part of the integrated transport area of an ITA by virtue of an order under section 78 or 90 of the Local Transport Act 2008 (c.26).

Requirements in connection with orders about combined authorities

103 Review by authorities: new combined authority

(1) Any two or more of the authorities to whom this section applies may undertake a review of—
   (a) the effectiveness and efficiency of transport within the area covered by the review (“the review area”), and
   (b) the effectiveness and efficiency of arrangements to promote economic development and regeneration within the review area.
(2) This section applies to—
   (a) a county council in England;
   (b) a district council in England;
   (c) an EPB;
   (d) an ITA.

(3) Where the review is being undertaken by a county council, the review area must include—
   (a) the areas of one or more district councils that are within the area of the county council, or
   (b) if there are no such areas, the area of the county council.

(4) Where the review is being undertaken by a district council, the review area must include the area of the district council.

(5) Where the review is being undertaken by an EPB, the review area must include one or more local government areas within the EPB’s area.

(6) Where the review is being undertaken by an ITA, the review area must include one or more local government areas within the ITA’s integrated transport area.

(7) The review area may also include the area of any county council or district council in England that does not constitute or fall within the area of an authority undertaking the review.

104 Preparation and publication of scheme: new combined authority

(1) This section applies where two or more of the authorities that have undertaken a review under section 103 conclude that the establishment of a combined authority for an area would be likely to improve—
   (a) the exercise of statutory functions relating to transport in the area,
   (b) the effectiveness and efficiency of transport in the area,
   (c) the exercise of statutory functions relating to economic development and regeneration in the area, and
   (d) economic conditions in the area.

(2) The authorities may prepare and publish a scheme for the establishment of a combined authority for the area (“the scheme area”).

(3) Subject as follows, the scheme area—
   (a) must consist of or include the whole or any part of the review area,
   (b) may include one or more other local government areas, and
   (c) must meet conditions A to C in section 98.

(4) The scheme area may not include a local government area unless each appropriate authority for that area—
   (a) participates in the preparation of the scheme, or
   (b) consents to its inclusion in the scheme area.

(5) For this purpose—
   (a) a county council is an appropriate authority for a local government area that is or forms part of the area of that county council;
   (b) a district council is an appropriate authority for a local government area that is the area of that district council.

   This is subject to subsection (6).
(6) If the scheme area includes the areas of two or more district councils that, taken together, constitute the area of a county council, only the county council is an appropriate authority for those areas.

105 Requirements in connection with establishment of combined authority

(1) The Secretary of State may make an order establishing a combined authority for an area only if, having regard to a scheme prepared and published under section 104, the Secretary of State considers that to do so is likely to improve—
   (a) the exercise of statutory functions relating to transport in the area,
   (b) the effectiveness and efficiency of transport in the area,
   (c) the exercise of statutory functions relating to economic development and regeneration in the area, and
   (d) economic conditions in the area.

(2) Before making the order, the Secretary of State must consult—
   (a) each appropriate authority, and
   (b) such other persons (if any) as the Secretary of State considers appropriate.

(3) For the purposes of this section—
   (a) a county council is an appropriate authority if the area of the county council, or part of that area, is within the area for which the combined authority is to be established;
   (b) a district council is an appropriate authority if the area of the district council is within the area for which the combined authority is to be established;
   (c) an EPB is an appropriate authority if the EPB’s area, or part of its area, is within the area for which the combined authority is to be established;
   (d) an ITA is an appropriate authority if the ITA’s integrated transport area, or part of that area, is within the area for which the combined authority is to be established.

(4) In making the order, the Secretary of State must have regard to the need—
   (a) to reflect the identities and interests of local communities, and
   (b) to secure effective and convenient local government.

106 Review by authorities: existing combined authority

(1) Any one or more of the authorities to whom this section applies may undertake, in relation to an existing combined authority, a review of one or more combined matters.

(2) This section applies to—
   (a) a combined authority;
   (b) a county council whose area, or part of whose area, is within an area of a combined authority or could be within a proposed area of a combined authority;
   (c) a district council whose area is within an area of a combined authority or could be within a proposed area of a combined authority.

(3) For the purposes of this section a “combined matter” is—
   (a) a matter in relation to which an order may be made under any of sections 99 to 102;
(b) in relation to the combined authority or any executive body of the combined authority, where that body exists at the time of the review, a matter concerning the combined authority or the executive body that the combined authority has power to determine.

(4) The review must relate to one or more areas of a combined authority or proposed areas of a combined authority.

(5) In this section and section 107 a “proposed area of a combined authority” means an area of a combined authority that may be created by an order under section 101 (changes to boundaries of a combined authority’s area).

107 Preparation and publication of scheme: existing combined authority

(1) This section applies where one or more of the authorities that have undertaken a review under section 106 conclude that the exercise of the power to make an order under any one or more of sections 99 to 102 would be likely to improve—

(a) the exercise of statutory functions relating to transport in an area of a combined authority or a proposed area of a combined authority,

(b) the effectiveness and efficiency of transport in such an area,

(c) the exercise of statutory functions relating to economic development and regeneration in such an area, or

(d) economic conditions in such an area.

(2) The authorities may prepare and publish a scheme relating to the exercise of the power or powers in question.

(3) The reference in subsection (1) to an area of a combined authority includes an area that would cease to be an area of a combined authority if an order were made in relation to that area under section 102 (dissolution of a combined authority’s area).

108 Requirements in connection with changes to existing combined arrangements

(1) The Secretary of State may make an order under any of sections 99 to 102 in relation to an existing combined authority only if, having regard to a scheme prepared and published under section 107, the Secretary of State considers that the making of the order is likely to improve—

(a) the exercise of statutory functions relating to transport in the area or areas to which the order relates,

(b) the effectiveness and efficiency of transport in that area or those areas,

(c) the exercise of statutory functions relating to economic development and regeneration in that area or those areas, or

(d) economic conditions in that area or those areas.

(2) Before making the order, the Secretary of State must consult—

(a) such of the authorities mentioned in section 106(2), and

(b) such other persons (if any),

as the Secretary of State considers appropriate.

(3) In making the order, the Secretary of State must have regard to the need—

(a) to reflect the identities and interests of local communities, and

(b) to secure effective and convenient local government.
Supplementary

109 Incidental etc provision

(1) The Secretary of State may by order make incidental, consequential, transitional or supplementary provision for the purposes of, or in consequence of, an order under this Part or for giving full effect to such an order.

(2) An order under this section may include provision amending, applying (with or without modifications), disapplying, repealing or revoking any enactment, whenever passed or made.

(3) The provision that may be included by virtue of subsection (2) includes provision applying, with modifications, or disapplying any enactment amended by Schedule 6.

(4) An order under this section may not include provision amending or disapplying sections 15 to 17 of, and Schedule 1 to, the Local Government and Housing Act 1989 (c. 42) (political balance on local authority committees etc).

110 Transfer of property, rights and liabilities

(1) The Secretary of State may by order make provision for the transfer of property, rights and liabilities for the purposes of, or in consequence of, an order under this Part or for giving full effect to such an order.

(2) Property, rights and liabilities may be transferred by—
   (a) the order,
   (b) a scheme made by the Secretary of State under the order, or
   (c) a scheme required to be made under the order by a person other than the Secretary of State.

(3) A transfer by virtue of this section may have effect—
   (a) whether or not the property, rights and liabilities would otherwise be capable of being transferred;
   (b) without any instrument or formality being required.

(4) The rights and liabilities which may be transferred by virtue of this section include rights and liabilities in relation to a contract of employment.

(5) The Transfer of Undertakings (Protection of Employment) Regulations 2006 (S.I. 2006/246) apply to the transfer by virtue of this section (whether or not the transfer is a relevant transfer for the purposes of those regulations).

(6) An order under this section or a scheme made under it may define the property, rights and liabilities to be transferred by specifying or describing them.

(7) Provision for the transfer of property, rights and liabilities made by virtue of this section may include provision—
   (a) for the creation or imposition by the Secretary of State of new rights or liabilities in respect of anything transferred;
   (b) for the shared ownership or use of any property or facilities;
   (c) for the management or custody of transferred property;
(d) for bodies to make agreements with respect to any property, income, rights, liabilities and expenses of, and any financial relations between, the parties to the agreement.

(8) Provision for the transfer of property, rights and liabilities made by virtue of this section may include provision—

(a) for the continuing effect of things done by the transferor in relation to anything transferred;

(b) for the continuation of things (including legal proceedings) in the process of being done, by or on behalf of or in relation to the transferor in relation to anything transferred;

(c) for references to the transferor in any agreement (whether written or not), instrument or other document in relation to anything transferred to be treated (so far as necessary for the purposes of or in consequence of the transfer) as references to the transferee.

111 Consequential amendments

(1) The Secretary of State may by order make such provision as the Secretary of State considers appropriate in consequence of any provision made by this Part.

(2) The power conferred in subsection (1) includes power to amend, repeal or revoke provision contained in an enactment passed or made before the day on which this Act is passed.

112 Orders

(1) Orders under this Part must be made by statutory instrument.

(2) Subject to subsection (3), a statutory instrument containing an order under this Part may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.

(3) A statutory instrument containing only an order under section 111 that amends or revokes provision contained in an instrument subject to annulment by resolution of either House of Parliament is subject to annulment by such resolution.

(4) If a draft of an order under this Part would, apart from this subsection, be treated for the purposes of the standing orders of either House of Parliament as a hybrid instrument, it is to proceed in that House as if it were not a hybrid instrument.

113 Guidance

(1) The Secretary of State may give guidance about anything that could be done by an authority to whom this section applies under or by virtue of this Part.

(2) An authority to whom this section applies must have regard to any guidance given under this section in exercising any function conferred or imposed by or by virtue of this Part.

(3) Any guidance under this section must be given in writing and may be varied or revoked by further guidance in writing.

(4) Any such guidance may make different provision for different cases and different provision for different areas.
(5) This section applies to—
   (a) a county council;
   (b) a district council;
   (c) an EPB;
   (d) a combined authority.

114 Amendments relating to EPBs and combined authorities

Schedule 6 (amendments relating to EPBs and combined authorities) is part of this Part.

115 Interpretation

In this Part—

“combined authority” means an authority established under section 98(1);
“EPB” has the meaning given by section 83(1);
“ITA” has the meaning given by section 99(1);
“local government area” has the meaning given by section 83(7);
“unitary district council” has the meaning given by section 85(4).

PART 7

MULTI-AREA AGREEMENTS

Basic concepts

116 Multi-area agreements

(1) This Part makes provision about multi-area agreements.

(2) In this Part “multi-area agreement” means a document that—
   (a) covers an area for which there are two or more local authorities (see section 117), and
   (b) specifies improvement targets for that area.

(3) Any part of the area may be separated from any other part by territory that is not part of the area.

(4) In this Part “improvement target” means a target for improvement in the economic, social or environmental well-being of the whole or any part of the area covered by a multi-area agreement and which relates to any or all of the following—
   (a) one or more local authorities for that area;
   (b) one or more partner authorities for that area (see section 118);
   (c) one or more other persons acting, or having functions exercisable, in that area.

(5) For the purposes of this Part, a target specified in a multi-area agreement relates to a person if—
   (a) the exercise of any of that person’s functions, or anything done by that person, could contribute to the attainment of the target, and
   (b) that person has consented to the application of the target to that person.
A person is taken to have consented to the application of a target to that person if—
(a) that person has consented to the target being specified in the agreement, or
(b) where the target has been changed, that person has consented to the change.

117 Local authorities

(1) Each of the following is a local authority for the purposes of this Part—
(a) a county council in England;
(b) a district council in England;
(c) a London borough council;
(d) the Council of the Isles of Scilly;
(e) the Common Council of the City of London in its capacity as a local authority;
(f) an economic prosperity board established under section 83 or a combined authority established under section 98.

(2) For the purposes of this Part, a local authority is an authority for an area if the whole or any part of the local authority’s area coincides with or falls within that area.

118 Partner authorities

(1) For the purposes of this Part, each of the following is a partner authority for an area—
(a) any person mentioned in subsection (2), where the whole or any part of the area for which the person acts or is established coincides with or falls within that area,
(b) a person mentioned in subsection (3), where the person provides services at or from a hospital or other establishment or facility in that area,
(c) any person mentioned in subsection (4), and
(d) where the area includes the area of a London borough council or the Common Council of the City of London, Transport for London.

(2) The persons referred to in subsection (1)(a) are—
(a) a fire and rescue authority which is not a local authority;
(b) a National Park authority;
(c) the Broads Authority;
(d) a police authority;
(e) a chief officer of police;
(f) a joint waste authority established under section 207(1) of the Local Government and Public Involvement in Health Act 2007 (c. 28);
(g) a waste disposal authority established under section 10 of the Local Government Act 1985 (c. 51);
(h) an Integrated Transport Authority;
(i) a Primary Care Trust;
(j) a development agency established by section 1 of the Regional Development Agencies Act 1998 (c. 45);
(k) a local probation board or a probation trust;
(l) a youth offending team.

(3) The persons referred to in subsection (1)(b) are—
(a) a National Health Service trust;
(b) an NHS foundation trust.

(4) The persons referred to in subsection (1)(c) are—
(a) the Arts Council of England;
(b) the English Sports Council;
(c) the Environment Agency;
(d) the Health and Safety Executive;
(e) the Historic Buildings and Monuments Commission;
(f) the Homes and Communities Agency;
(g) the Learning and Skills Council for England;
(h) the Museums, Libraries and Archives Council;
(i) Natural England;
(j) the Secretary of State in so far as the Secretary of State has functions—
   (i) under section 2 of the Employment and Training Act 1973 (c. 50) (arrangements with respect to obtaining etc employment or employees),
   (ii) as highway authority by virtue of section 1 of the Highways Act 1980 (c. 66),
   (iii) as traffic authority by virtue of section 121A of the Road Traffic Regulation Act 1984 (c. 27), or
   (iv) under sections 2 and 3 of the Offender Management Act 2007 (c. 21) (responsibility for ensuring the provision of probation services throughout England and Wales).

(5) The Secretary of State may by order—
(a) amend subsection (2), (3) or (4) so as to—
   (i) add to it any person who has functions of a public nature, or
   (ii) remove from it any person for the time being mentioned in it;
(b) amend subsection (4)(j) so as to—
   (i) add to it any function of the Secretary of State, or
   (ii) remove from it any function for the time being mentioned in it;
(c) make such other amendments of this section as appear to the Secretary of State to be necessary or expedient in consequence of provision made by paragraph (a) or (b).

(6) Before making an order under subsection (5) the Secretary of State must consult—
(a) such representatives of local government as the Secretary of State considers appropriate, and
(b) such other persons (if any) as the Secretary of State considers appropriate.

(7) An order under subsection (5) must be made by statutory instrument.

(8) A statutory instrument containing an order under subsection (5) is subject to annulment in pursuance of a resolution of either House of Parliament.

(9) For the purposes of subsection (2)(e), a chief officer of police acts and is established for the area of the chief officer’s police force.
70  Local Democracy, Economic Development and Construction Bill [HL]

Part 7 — Multi-area agreements

(10) The Secretary of State’s functions under this Part by virtue of subsection (4)(j)(iv) are functions to which section 2(1)(c) of the Offender Management Act 2007 (c. 21) (functions to be performed through arrangements under section 3 of that Act) applies.

Preparation and approval of multi-area agreements

119  Proposal for multi-area agreement

(1) The local authorities for an area proposed to be covered by a multi-area agreement (“the proposed area”) may request the Secretary of State to give a direction under section 120 for the preparation and submission of a draft multi-area agreement for the proposed area.

(2) The local authorities making the request—
   (a) must include all of the local authorities for the proposed area, other than any non-unitary district council for that area;
   (b) may include any non-unitary district council for that area.

(3) In this Part “non-unitary district council” means a district council for an area that is part of the area of a county council.

(4) The request must be made in writing and must—
   (a) identify the local authorities making the request,
   (b) nominate one of them to be responsible for preparing and submitting the draft, and
   (c) identify the proposed area.

(5) The local authorities making the request must have regard to any guidance issued by the Secretary of State about such requests.

120  Direction to prepare and submit draft multi-area agreement

(1) If a request is made in accordance with section 119, the Secretary of State may direct the responsible authority to prepare a draft multi-area agreement for the proposed area and submit it to the Secretary of State.

(2) The draft must specify, in relation to each improvement target—
   (a) the persons or persons to whom the target relates, and
   (b) where the target does not relate to the whole of the proposed area, the part or parts of the area to which it relates.

(3) The draft must specify the period for which the multi-area agreement is to have effect.

(4) A direction under this section—
   (a) may specify the date by which the draft must be submitted to the Secretary of State;
   (b) may be varied or revoked.

121  Preparation of draft multi-area agreement

(1) In preparing a draft multi-area agreement in accordance with a direction under section 120, the responsible authority must consult—
   (a) each of the other local authorities for the proposed area,
(b) each partner authority for that area, and  
(c) such other persons as appear to it to be appropriate.

(2) In preparing the draft, the responsible authority must co-operate with—  
(a) each of the other local authorities for the proposed area, and  
(b) each partner authority for that area,  
in determining the improvement targets relating to that local authority or partner authority that are to be specified in the draft.

(3) In preparing the draft, the responsible authority must have regard to any guidance issued by the Secretary of State.

(4) In determining the improvement targets relating to it which are to be specified in the draft, each of the other local authorities, and each partner authority, for the proposed area must—  
(a) co-operate with the responsible authority, and  
(b) have regard to any guidance issued by the Secretary of State.

122 Approval of draft multi-area agreement

(1) If a draft multi-area agreement is submitted to the Secretary of State under section 120, the Secretary of State may by notice in writing to the responsible authority—  
(a) approve the draft,  
(b) require the responsible authority to modify the draft, or  
(c) reject the draft.

(2) If the Secretary of State approves a draft multi-area agreement, a multi-area agreement in the form of the draft has effect for the period specified in it.

(3) A requirement to modify a draft multi-area agreement operates for the purposes of section 120 as a direction under that section to prepare and submit a further draft of a multi-area agreement.

(4) If the Secretary of State rejects a draft multi-area agreement, the Secretary of State may not give a further direction under section 120 based on the same request under section 119.

123 Submission of existing multi-area agreement

(1) This section applies to a multi-area agreement prepared otherwise than in accordance with a direction under section 120.

(2) The local authorities for the area covered by the agreement may—  
(a) submit the agreement to the Secretary of State, and  
(b) request the Secretary of State to approve the agreement under section 124.

(3) The local authorities making the request—  
(a) must include all of the local authorities for the area covered by the agreement, other than any non-unitary district council for that area;  
(b) may include any non-unitary district council for that area.

(4) Before making the request, the local authorities must consult—  
(a) any other local authority for the area covered by the agreement, and
(b) each partner authority for that area.

(5) The agreement must specify, in relation to each improvement target—
   (a) the persons or persons to whom the target relates, and
   (b) where the target does not relate to the whole of the proposed area, the part or parts of the area to which it relates.

(6) The agreement must specify the period for which it has effect.

(7) The request must be made in writing and must—
   (a) identify the local authorities making the request,
   (b) nominate one of them as the responsible authority in relation to the agreement,
   (c) identify the area covered by the agreement, and
   (d) provide information about the outcome of the consultation under subsection (4).

(8) The local authorities making the request must have regard to any guidance issued by the Secretary of State about such requests.

124 Approval of existing multi-area agreement

(1) If a multi-area agreement is submitted to the Secretary of State in accordance with section 123, the Secretary of State may approve the agreement by notice in writing to the responsible authority.

(2) An agreement approved under this section has effect for the purposes of this Part for the period specified in it.

Effect of multi-area agreements

125 Duty to have regard to improvement targets

Where a multi-area agreement has effect by virtue of section 122 or 124—
   (a) each local authority for the area covered by the agreement, and
   (b) each partner authority for that area,
must, in exercising its functions, have regard to every improvement target specified in the agreement that relates to it.

Revision of multi-area agreements

126 Responsible authorities

(1) Subject as follows, in this Part “the responsible authority”, in relation to a multi-area agreement, means—
   (a) the authority that prepared the draft of the agreement, or
   (b) in the case of an agreement approved under section 124, the authority nominated under section 123 in relation to the agreement.

(2) The local authorities to which the targets specified in a multi-area agreement relate may request the Secretary of State to agree to another one of those authorities becoming the responsible authority in relation to the agreement.

(3) A request under subsection (2) must be made in writing.
127 Revision proposals

(1) At any time while a multi-area agreement has effect by virtue of section 122 or 124, the responsible authority—
   (a) may prepare and submit to the Secretary of State a revision proposal, and
   (b) must do so if the Secretary of State so directs.

(2) In this Part “revision proposal”, in relation to a multi-area agreement, means a document proposing any or all of the following—
   (a) the enlargement of the area covered by the agreement;
   (b) changes to improvement targets specified in the agreement;
   (c) the removal of improvement targets from the agreement;
   (d) the addition of improvement targets to the agreement;
   (e) the extension of the period specified in the agreement for which the agreement has effect.

(3) A revision proposal that proposes changes to an improvement target must specify—
   (a) each person to whom the target relates, and
   (b) where it does not relate to the whole of the area covered by the agreement, the part or parts of the area to which it relates.

(4) A revision proposal that proposes the addition of an improvement target must specify—
   (a) each person to whom the target would relate, and
   (b) where the target would not relate to the whole of the area covered by the agreement, the part or parts of the area to which it would relate.

(5) A direction under this section—
   (a) may specify the date by which a revision proposal must be submitted to the Secretary of State;
   (b) may be varied or revoked.

128 Preparation of revision proposal

(1) In preparing a revision proposal, the responsible authority must consult—
   (a) each of the other local authorities for the area that would be covered by the multi-area agreement if the revision proposal were approved (“the agreement area”),
   (b) each partner authority for that area, and
   (c) such other persons as appear to it to be appropriate.

(2) In preparing a revision proposal, the responsible authority must co-operate with—
   (a) each of the other local authorities for the agreement area, and
   (b) each partner authority for that area,
   in determining a change affecting that local authority or partner authority that is to be proposed by the revision proposal.

(3) In preparing a revision proposal, the responsible authority must have regard to any guidance issued by the Secretary of State.
(4) In determining a change affecting it that is to be proposed by the revision proposal, each of the other local authorities, and each partner authority, for the agreement area must—
   (a) co-operate with the responsible authority, and
   (b) have regard to any guidance issued by the Secretary of State.

129 Approval of revision proposal

(1) If a revision proposal relating to a multi-area agreement is submitted to the Secretary of State under section 127, the Secretary of State may by notice in writing to the responsible authority—
   (a) approve the revision proposal,
   (b) if the revision proposal was submitted to the Secretary of State pursuant to a direction under section 127(1)(b), require the responsible authority to modify the revision proposal, or
   (c) reject the revision proposal.

(2) If the Secretary of State approves the revision proposal, the multi-area agreement has effect subject to the changes set out in the revision proposal.

(3) A requirement to modify a revision proposal operates for the purposes of section 127 as a direction under subsection (1)(b) of that section to prepare and submit a further revision proposal.

130 Duty to publish information about multi-area agreement

(1) If a multi-area agreement is approved under section 122 or 124, the responsible authority must publish such information about the agreement as the authority considers appropriate.

(2) If a revision proposal is approved under section 129, the responsible authority must publish such information about the revisions to the multi-area agreement as revised by the revision proposal as the authority considers appropriate.

(3) Information required to be published under this section may be published in such manner as the responsible authority considers appropriate.

Supplementary and general

131 Consultation on guidance

(1) Before issuing guidance under this Part, the Secretary of State must consult—
   (a) such representatives of local government, and
   (b) such other persons (if any),
   as the Secretary of State considers appropriate.

(2) The reference in subsection (1) to representatives of local government includes representatives of any persons who are, or are capable of being, partner authorities for the area covered by a multi-area agreement.
132 Interpretation

In this Part—

“the agreement area” has the meaning given by section 128(1);
“improvement target” has the meaning given by section 116(4);
“local authority” has the meaning given by section 117;
“multi-area agreement” has the meaning given by section 116(2);
“non-unitary district council” has the meaning given by section 119(3);
“partner authority” has the meaning given by section 118;
“the proposed area” has the meaning given by section 119(1);
“the responsible authority”, in relation to a draft multi-area agreement,
means the local authority nominated under section 119(4) to be
responsible for preparing and submitting the draft;
“the responsible authority”, in relation to a multi-area agreement, has the
meaning given by section 126;
“revision proposal” has the meaning given by section 127(2).

PART 8

CONSTRUCTION CONTRACTS

133 Requirement for construction contracts to be in writing

(1) In the Housing Grants, Construction and Regeneration Act 1996 (c. 53), section
107 (provisions applicable only to contracts in writing) is repealed.

(2) In section 108 of that Act (right to refer disputes to adjudication)—
(a) in subsection (2), after “The contract shall” insert “include provision in
writing so as to”;
(b) in subsections (3) and (4), after “provide” insert “in writing”.

134 Adjudicator’s power to make corrections

In the Housing Grants, Construction and Regeneration Act 1996, in section 108
(right to refer disputes to adjudication), after subsection (3) insert—

“(3A) The contract shall include provision in writing permitting the
adjudicator to correct his decision so as to remove a clerical or
typographical error arising by accident or omission.”

135 Adjudication costs

In the Housing Grants, Construction and Regeneration Act 1996, after section
108 insert—

“108A Adjudication costs: effectiveness of provision

(1) This section applies to any contractual provision made between the
parties to a construction contract which concerns the allocation as
between those parties of costs relating to the adjudication of a dispute
arising under the construction contract.
It is immaterial whether or not the contractual provision is contained in
the construction contract.
(2) Any contractual provision to which this section applies is ineffective unless it is made in writing after the giving of notice of intention to refer the dispute to adjudication.

(3) In subsection (1) the reference to costs relating to the adjudication of a dispute includes the fees and expenses of the adjudicator.”

136 Determination of payments due

(1) In the Housing Grants, Construction and Regeneration Act 1996 (c. 53), section 110 (dates for payment) is amended as follows.

(2) After subsection (1) insert—

“(1A) The requirement in subsection (1)(a) to provide an adequate mechanism for determining what payments become due under the contract, or when, is not satisfied where a construction contract makes payment conditional on—

(a) the performance of obligations under another contract, or
(b) a decision by any person as to whether obligations under another contract have been performed.

(1B) In subsection (1A)(a) and (b) the references to obligations do not include obligations to make payments (but see section 113).

(1C) Subsection (1A) does not apply where—

(a) the construction contract is an agreement between the parties for the carrying out of construction operations by another person, whether under sub-contract or otherwise, and
(b) the obligations referred to in that subsection are obligations on that other person to carry out those operations.”

(3) After subsection (1C) (as inserted by subsection (2) above) insert—

“(1D) The requirement in subsection (1)(a) to provide an adequate mechanism for determining when payments become due under the contract is not satisfied where a construction contract provides for the date on which a payment becomes due to be determined by reference to the giving to the person to whom the payment is due of a notice which relates to what payments are due under the contract.”

137 Notices relating to payment

(1) In the Housing Grants, Construction and Regeneration Act 1996, in section 109 (entitlement to stage payments), in subsection (4), for “under the contract” substitute “provided for by the contract”.

(2) In section 110 of that Act (dates for payment), omit the following—

(a) subsection (2), and
(b) in subsection (3), “or (2)”.

(3) After section 110 of that Act insert—

“110A Payment notices: contractual requirements

(1) A construction contract shall, in relation to every payment provided for by the contract—
Local Democracy, Economic Development and Construction Bill [HL]

Part 8 — Construction contracts

(a) require the payer or a specified person to give a notice complying with subsection (2) to the payee not later than five days after the payment due date, or
(b) require the payee to give a notice complying with subsection (3) to the payer or a specified person not later than five days after the payment due date.

(2) A notice complies with this subsection if it specifies—
(a) in a case where the notice is given by the payer—
(i) the sum that the payer considers to be or to have been due at the payment due date in respect of the payment, and
(ii) the basis on which that sum is calculated;
(b) in a case where the notice is given by a specified person—
(i) the sum that the payer or the specified person considers to be or to have been due at the payment due date in respect of the payment, and
(ii) the basis on which that sum is calculated.

(3) A notice complies with this subsection if it specifies—
(a) the sum that the payee considers to be or to have been due at the payment due date in respect of the payment, and
(b) the basis on which that sum is calculated.

(4) For the purposes of this section, it is immaterial that the sum referred to in subsection (2)(a) or (b) or (3)(a) may be zero.

(5) If or to the extent that a contract does not comply with subsection (1), the relevant provisions of the Scheme for Construction Contracts apply.

(6) In this and the following sections, in relation to any payment provided for by a construction contract—
“payee” means the person to whom the payment is due;
“payer” means the person from whom the payment is due;
“payment due date” means the date provided for by the contract as the date on which the payment is due;
“specified person” means a person specified in or determined in accordance with the provisions of the contract.

110B Payment notices: payee’s notice in default of payer’s notice

(1) This section applies in a case where, in relation to any payment provided for by a construction contract—
(a) the contract requires the payer or a specified person to give the payee a notice complying with section 110A(2) not later than five days after the payment due date, but
(b) notice is not given as so required.

(2) Subject to subsection (4), the payee may give to the payer a notice complying with section 110A(3) at any time after the date on which the notice referred to in subsection (1)(a) was required by the contract to be given.

(3) Where pursuant to subsection (2) the payee gives a notice complying with section 110A(3), the final date for payment of the sum specified in the notice shall for all purposes be regarded as postponed by the same
number of days as the number of days after the date referred to in subsection (2) that the notice was given.

(4) If—
   (a) the contract permits or requires the payee, before the date on which the notice referred to in subsection (1)(a) is required by the contract to be given, to notify the payer or a specified person of—
      (i) the sum that the payee considers will become due on the payment due date in respect of the payment, and
      (ii) the basis on which that sum is calculated, and
   (b) the payee gives such notification in accordance with the contract,
that notification is to be regarded as a notice complying with section 110A(3) given pursuant to subsection (2) (and the payee may not give another such notice pursuant to that subsection).”

138 Requirement to pay notified sum

(1) In the Housing Grants, Construction and Regeneration Act 1996 (c. 53), for section 111 (notice of intention to withhold payment) substitute—

“111 Requirement to pay notified sum

(1) Subject as follows, where a payment is provided for by a construction contract, the payer must pay the notified sum (to the extent not already paid) on or before the final date for payment.

(2) For the purposes of this section, the “notified sum” in relation to any payment provided for by a construction contract means—
   (a) in a case where a notice complying with section 110A(2) has been given pursuant to and in accordance with a requirement of the contract, the amount specified in that notice;
   (b) in a case where a notice complying with section 110A(3) has been given pursuant to and in accordance with a requirement of the contract, the amount specified in that notice;
   (c) in a case where a notice complying with section 110A(3) has been given pursuant to and in accordance with section 110B(2), the amount specified in that notice.

(3) The payer or a specified person may in accordance with this section give to the payee a notice of the payer’s intention to pay less than the notified sum.

(4) A notice under subsection (3) must specify—
   (a) the sum that the payer considers to be due on the date the notice is served, and
   (b) the basis on which that sum is calculated.
It is immaterial for the purposes of this subsection that the sum referred to in paragraph (a) or (b) may be zero.

(5) A notice under subsection (3)—
   (a) must be given not later than the prescribed period before the final date for payment, and
(b) in a case referred to in subsection (2)(b) or (c), may not be given before the notice by reference to which the notified sum is determined.

(6) Where a notice is given under subsection (3), subsection (1) applies only in respect of the sum specified pursuant to subsection (4)(a).

(7) In subsection (5), “prescribed period” means—
(a) such period as the parties may agree, or
(b) in the absence of such agreement, the period provided by the Scheme for Construction Contracts.

(8) Subsection (9) applies where in respect of a payment—
(a) a notice complying with section 110A(2) has been given pursuant to and in accordance with a requirement of the contract (and no notice under subsection (3) is given), or
(b) a notice under subsection (3) is given in accordance with this section,
but on the matter being referred to adjudication the adjudicator decides that more than the sum specified in the notice should be paid.

(9) In a case where this subsection applies, the decision of the adjudicator referred to in subsection (8) shall be construed as requiring payment of the additional amount not later than—
(a) seven days from the date of the decision, or
(b) the date which apart from the notice would have been the final date for payment,
whichever is the later.

(10) Subsection (1) does not apply in relation to a payment provided for by a construction contract where—
(a) the contract provides that, if the payee becomes insolvent the payer need not pay any sum due in respect of the payment, and
(b) the payee has become insolvent after the prescribed period referred to in subsection (5)(a).

(11) Subsections (2) to (5) of section 113 apply for the purposes of subsection (10) of this section as they apply for the purposes of that section.”

(2) In section 112 of that Act (right to suspend performance for non-payment)—
(a) in subsection (1), for the words from “Where” to “given” substitute “Where the requirement in section 111(1) applies in relation to any sum but is not complied with,”;
(b) in subsection (3), for “the amount due” substitute “the sum referred to in subsection (1)”.

139 Suspension of performance for non-payment

(1) In the Housing Grants, Construction and Regeneration Act 1996 (c. 53), section 112 (right to suspend performance for non-payment) is amended as follows.

(2) In subsection (1), after “performance of” insert “any or all of”.


Local Democracy, Economic Development and Construction Bill [HL]

Part 8 — Construction contracts

(3) After subsection (3) insert—

“(3A) Where the right conferred by this section is exercised, the party in default shall be liable to pay to the party exercising the right a reasonable amount in respect of costs and expenses reasonably incurred by that party as a result of the exercise of the right.”

(4) In subsection (4), after “pursuance of” insert “, or in consequence of the exercise of,”.

PART 9

FINAL

140 Repeals

(1) Schedule 7 contains repeals.

(2) The repeal by this Act of sections 17, 19 and 26 of the Local Government Act 1992 (c. 19) does not affect the continuing effect of orders and regulations made under those sections.

(3) For the purposes of this Act—

(a) the repeals in Part 1 of Schedule 7 are part of section 28 (joint overview and scrutiny committees);
(b) the repeal in Part 2 of Schedule 7 is part of Chapter 2 of Part 2 (audit of entities connected with local authorities);
(c) the repeals in Part 3 of Schedule 7 are part of Part 3 (local government boundary and electoral change);
(d) the repeals in Part 4 of Schedule 7 are part of Part 5 (regional strategy);
(e) the repeals in Part 5 of Schedule 7 are part of Part 8 (construction contracts).

141 Extent

(1) Parts 1 to 7 extend to England and Wales only, except that—

(a) an amendment or repeal effected by any of those Parts has the same extent as the provision amended or repealed, and
(b) sections 61(2) to (6), 80(2) to (6), 109, 111 and 112 (powers to make consequential provision etc) extend also to Scotland and Northern Ireland.

(2) Part 8 extends to England and Wales and Scotland.

(3) This Part extends to England and Wales, Scotland and Northern Ireland.

142 Commencement: general

(1) In Part 1 (democracy and involvement)—

(a) Chapters 1 and 2 come into force—

(i) in relation to England, on a day appointed by the Secretary of State;
(ii) in relation to Wales, on a day appointed by the Welsh Ministers;
(b) Chapter 3 comes into force on a day appointed by the Secretary of State;
(c) Chapter 4 comes into force on the day on which this Act is passed.
(2) In Part 2 (local authorities: governance and audit)—
   (a) in Chapter 1—
      (i) section 27 comes into force on a day appointed by the Secretary of State;
      (ii) sections 28 and 29 come into force at the end of the period of two months beginning with the day on which this Act is passed;
   (b) Chapter 2 comes into force—
      (i) in relation to England, on a day appointed by the Secretary of State;
      (ii) in relation to Wales, on a day appointed by the Welsh Ministers.

(3) In Part 3 (local government boundary and electoral change)—
   (a) sections 56, 58 and 62 and Schedule 3 come into force on the day on which this Act is passed;
   (b) the remaining provisions come into force on a day appointed by the Secretary of State.

(4) Part 4 (local authority economic assessment) comes into force at the end of the period of two months beginning with the day on which this Act is passed.

(5) Part 5 (regional strategy) comes into force on a day appointed by the Secretary of State.

(6) Part 6 (economic prosperity boards and combined authorities) comes into force on a day appointed by the Secretary of State.

(7) Part 7 (multi-area agreements) comes into force at the end of the period of two months beginning with the day on which this Act is passed.

(8) Part 8 (construction contracts) comes into force as specified in section 143.

(9) This Part comes into force on the day on which this Act is passed.

(10) Any power to appoint a day under this section—
   (a) includes power to appoint different days for different purposes;
   (b) includes power to make transitional provision or savings;
   (c) is to be exercised by order made by statutory instrument.

143 Commencement: construction contracts

(1) Part 8 comes into force, so far as extending to England and Wales—
   (a) on a day appointed by the Welsh Ministers, in relation to construction contracts which relate to the carrying out of construction operations in Wales;
   (b) on a day appointed by the Secretary of State, in relation to other construction contracts.

(2) Part 8 comes into force, so far as extending to Scotland, on a day appointed by the Scottish Ministers.

(3) The amendments made by Part 8, so far as extending to England and Wales, do not apply—
   (a) in relation to construction contracts which relate to the carrying out of construction operations in Wales and are entered into before the day appointed under subsection (1)(a), or
(b) in relation to other construction contracts which are entered into before the day appointed under subsection (1)(b).

(4) The amendments made by Part 8, so far as extending to Scotland, do not apply in relation to construction contracts which are entered into before the day appointed under subsection (2).

(5) In this section “construction contracts” and “construction operations” have the same meanings as in Part 2 of the Housing Grants, Construction and Regeneration Act 1996 (c. 53).

(6) Any power to appoint a day under this section—
   (a) includes power to appoint different days for different purposes;
   (b) includes power to make transitional provision or savings;
   (c) is to be exercised by order made by statutory instrument.

144 Short title

This Act may be cited as the Local Democracy, Economic Development and Construction Act 2009.
SCHEDULES

SCHEDULE 1

BOUNDARY COMMITTEE FOR ENGLAND

Members

1 (1) The Boundary Committee for England is to consist of at least five and no more than twelve members.

(2) The members are to be appointed by Her Majesty on the recommendation of the Secretary of State.

(3) The following may not be appointed as a member—
   (a) a member of a registered party;
   (b) a person who is, or has at any time with the last ten years been, an officer or employee of a registered party or of any accounting unit of such a party;
   (c) a person who holds, or has at any time within the last ten years held, a relevant elective office (within the meaning of Schedule 7 to the Political Parties, Elections and Referendums Act 2000 (c. 41) (“the 2000 Act”));
   (d) a person who has at any time within the last ten years been named—
      (i) as a donor in the register of donations reported under Chapter 3 or 5 of Part 4 of the 2000 Act, or
      (ii) as a participant in the register of recordable transactions reported under Part 4A of that Act.

(4) A person may not be appointed as member for a period of more than five years at any one time.

(5) Subject to the provisions of this paragraph, a member holds office—
   (a) for the term for which the member is appointed, and
   (b) otherwise in accordance with the terms of their appointment.

(6) A member ceases to hold office if—
   (a) the member consents to being nominated as a candidate at a relevant election (within the meaning of Part 2 of the 2000 Act) or to being included in a registered party’s list of candidates at such an election,
   (b) the member takes up any office or employment in or with—
      (i) a registered party or any accounting unit of such a party,
      (ii) a recognised third party (within the meaning of Part 6 of the 2000 Act), or
      (iii) a permitted participant (within the meaning of Part 7 of that Act),
(c) the member is named as a donor in the register of donations reported under Chapter 3 or 5 of Part 4 of the 2000 Act or in any statement of donations included in a return delivered to the Electoral Commission under section 98 or 122 of that Act,

(d) the member is named as a participant in the register of recordable transactions reported under Part 4A of that Act, or

(e) the member becomes a member of a registered party.

(7) A member may, on the member’s request, be relieved of office by Her Majesty.

(8) A member may, on the recommendation of the Secretary of State, be removed from office by Her Majesty on any of the following grounds—

(a) failure to discharge the functions of membership for a continuous period of at least three months;

(b) failure to comply with the terms of appointment;

(c) conviction of a criminal offence;

(d) being an undischarged bankrupt or having their estate sequestrated in Scotland and not being discharged;

(e) making an arrangement or composition contract with, or granting a trust deed for, their creditors;

(f) otherwise being unfit to hold office or unable to carry out the functions of membership.

(9) No-one may serve as member for more than ten years (continuously or otherwise).

(10) Service as a member is not service in the civil service of the State.

Chair

2 (1) One of the members is to be the chair of the Boundary Committee for England.

(2) The chair is to be appointed by Her Majesty on an Address from the House of Commons.

(3) A motion for such an Address may be made only if—

(a) the Speaker of the House of Commons agrees that the motion may be made, and

(b) the person whose appointment is proposed in the motion has been selected in accordance with a procedure put in place and overseen by the Speaker’s Committee (see section 2 of the 2000 Act).

(4) Such an Address must specify the period, not exceeding five years, for which the proposed chair is to be appointed.

(5) The chair of the Boundary Committee for England holds office as chair—

(a) for the period of their appointment (which is to be that specified under sub-paragraph (4)), and

(b) otherwise in accordance with the terms of their appointment.

(6) The chair may, on the chair’s request, be relieved of office as chair by Her Majesty.
(7) The chair may be removed from office by Her Majesty on an Address from the House of Commons.

(8) No motion may be made for such an Address unless the Speaker’s Committee have presented a report to the House of Commons stating that the Speaker’s Committee are satisfied that one or more of the following grounds is made out in relation to the chair—
   (a) failure to discharge the functions of their office for a continuous period of at least three months;
   (b) failure to comply with the terms of appointment as chair;
   (c) conviction of a criminal offence;
   (d) being an undischarged bankrupt or having their estate sequestrated in Scotland and not being discharged;
   (e) making an arrangement or composition contract with, or granting a trust deed for, their creditors;
   (f) otherwise being unfit to hold office as chair or unable to carry out the functions of that office.

(9) No-one may serve as chair for more than ten years (continuously or otherwise).

(10) In the case of a re-appointment, the reference in sub-paragraph (3)(b) to being selected in accordance with a procedure put in place and overseen by the Speaker’s Committee is to be read as including a reference to being recommended for re-appointment by the Speaker’s Committee.

(11) Service as chair is not service in the civil service of the State.

Deputy chair

3  (1) The Secretary of State may designate one of the members of the Boundary Committee for England to be the deputy chair.

(2) The deputy chair is to act as chair—
   (a) in the event of a vacancy in the office of chair,
   (b) if the chair is unable to act, and
   (c) in such other circumstances as the Boundary Committee for England may determine.

(3) The deputy chair may at any time resign as deputy chair by notice to the Secretary of State.

Remuneration

4  The Boundary Committee for England must pay to or in respect of the members (including the chair and deputy chair) such sums by way of or in respect of remuneration, allowances, expenses, pensions or gratuities as the Speaker of the House of Commons, after consulting the Speaker’s Committee, may determine.

Committees

5  (1) The Boundary Committee for England may establish any committees which it considers appropriate.
(2) A committee of the Boundary Committee for England may establish one or more sub-committees.

(3) Only a member of the Boundary Committee for England may be a member of one of its committees or sub-committees.

**Proceedings**

6 (1) Subject to this Schedule, the Boundary Committee for England may regulate its own proceedings and the proceedings of any of its committees or sub-committees (including quorum).

(2) The validity of proceedings of the Boundary Committee for England, or of any of its committees or sub-committees, is not affected by—

(a) a vacancy, or

(b) a defective appointment.

**Chief executive and other employees**

7 (1) The Boundary Committee for England—

(a) must appoint a chief executive, and

(b) may appoint other employees.

(2) A person may not be appointed—

(a) as chief executive of the Boundary Committee for England if by virtue of paragraph 1(3)(a) to (d) that person may not be appointed as a member of the Committee;

(b) as any other member of staff of the Boundary Committee for England if by virtue of paragraph 1(3)(b) to (d) that person may not be appointed as a member of the Committee.

(3) Service as chief executive or other employee of the Boundary Committee for England is not service in the civil service of the State.

(4) Subject as follows, employees of the Boundary Committee for England must be appointed on such terms and conditions, including terms and conditions as to remuneration, as the Committee may determine.

(5) The appointment of any member of staff of the Boundary Committee for England terminates—

(a) if that person is the chief executive of the Committee, on the occurrence of such an event as is mentioned in any of paragraphs (a) to (e) of paragraph 1(6), and

(b) in any other case, on the occurrence of such an event as is mentioned in any of paragraphs (a) to (d) of paragraph 1(6).

(6) For the purposes of determinations under sub-paragraph (4), the Boundary Committee for England must have regard to the desirability of keeping the remuneration and other terms or conditions of employment of its employees broadly in line with those applying to persons in the civil service of the State.

(7) Service as an employee of the Boundary Committee for England is included in the kinds of employment to which a scheme under section 1 of the Superannuation Act 1972 (c. 11) can apply; and accordingly, in Schedule 1 to that Act, “Boundary Committee for England” is to be inserted at the appropriate place in the list of “Other bodies”.
(8) The Boundary Committee for England must pay to the Minister for the Civil Service, at such times as the Minister may direct, such sums as the Minister may determine in respect of any increase attributable to sub-paragraph (7) in the sums payable out of money provided by Parliament under the Superannuation Act 1972 (c. 11).

Superannuation: supplementary

8 (1) Section 1(2) of the Superannuation Act 1972 (delegation of functions relating to civil service superannuation schemes by the Minister for the Civil Service to another office of the Crown etc) has effect as if the reference to an officer of the Crown other than a Minister included the chief executive of the Boundary Committee for England.

(2) An administration function conferred on the chief executive under section 1(2) of that Act by virtue of sub-paragraph (1) may be exercised by (or by employees of) such person as may be authorised in that behalf by the chief executive.

(3) For the purposes of this paragraph an “administration function” is a function of administering schemes—
   (a) made under section 1 of the Superannuation Act 1972, and
   (b) for the time being in force.

(4) An authorisation given by virtue of sub-paragraph (2) may authorise the exercise of an administration function—
   (a) wholly or to such extent as may be specified in the authorisation;
   (b) generally or in such cases as may be so specified;
   (c) unconditionally or subject to such conditions as may be so specified.

(5) An authorisation given by virtue of sub-paragraph (2)—
   (a) is to be treated for all purposes as if it were given by virtue of an order under section 69 of the Deregulation and Contracting Out Act 1994 (c. 40) (contracting out of functions of Ministers and office-holders);
   (b) may be revoked at any time by the Boundary Committee for England (as well as by the chief executive).

Delegations

9 (1) The Boundary Committee for England may delegate any of its functions to any of its members, employees, committees or sub-committees.

(2) The chief executive of the Boundary Committee for England may delegate any of the chief executive’s functions to any other employee of the Committee.

(3) A committee of the Boundary Committee for England may delegate any of its functions to any of its sub-committees.

(4) A committee or sub-committee of the Boundary Committee for England may delegate any of its functions to any employee of the Committee.
Financial year

10 (1) The financial year of the Boundary Committee for England is the period of twelve months ending on 31 March.

(2) But the first financial year of the Boundary Committee for England is the period—
   (a) starting on the day on which section 49 comes into force, and
   (b) ending on the following 31 March.

Funding

11 (1) The expenditure of the Boundary Committee for England is to be met, in accordance with this paragraph, out of money provided by Parliament.

(2) For each financial year of the Boundary Committee for England (other than the first) the Committee must prepare, and submit to the Speaker’s Committee, an estimate of its income and expenditure.

(3) The Speaker’s Committee must—
   (a) examine each such estimate,
   (b) decide whether they are satisfied that the estimated level of income and expenditure is consistent with the economical, efficient and effective discharge by the Boundary Committee for England of its functions, and
   (c) if they are not so satisfied, must make such modifications to the estimate as they consider appropriate for the purpose of achieving such consistency.

(4) Before deciding whether they are so satisfied or making any such modification the Speaker’s Committee must—
   (a) have regard to the most recent report made to them by the Comptroller and Auditor General under paragraph 13 and to any recommendations contained in that report, and
   (b) consult the Treasury and have regard to any advice which the Treasury may give.

(5) The Speaker’s Committee must, after concluding their examination and making their modifications (if any) to the estimate, lay the estimate before the House of Commons.

(6) If the Speaker’s Committee, in the discharge of their functions under this paragraph—
   (a) do not follow any recommendation contained in the report of the Comptroller and Auditor General,
   (b) do not follow any advice given to them by the Treasury, or
   (c) make any modification to the estimate,
they must include in the next report which they make to the House of Commons under paragraph 1 of Schedule 2 of the 2000 Act a statement of their reasons for so doing.

Five-year plan

12 (1) An estimate under paragraph 11 is to be accompanied by a plan prepared by the Boundary Committee for England setting out its—
(a) aims and objectives for the period of five years beginning with the
financial year to which the estimate relates, and
(b) estimated requirements for resources during that five-year period.

(2) The Speaker’s Committee must—
(a) examine each such plan,
(b) decide whether they are satisfied that the plan is consistent with the
economical, efficient and effective discharge by the Boundary
Committee for England of its functions, and
(c) if they are not so satisfied, make such modifications to the plan as
they consider appropriate for the purpose of achieving such
consistency.

(3) Before deciding whether they are so satisfied or making any such
modification the Speaker’s Committee must—
(a) have regard to the most recent report made to them by the
Comptroller and Auditor General under paragraph 13 and to any
recommendations contained in that report, and
(b) consult the Treasury and have regard to any advice which the
Treasury may give.

(4) The Speaker’s Committee must, after concluding their examination and
making their modifications (if any) to the plan, lay the plan before the House
of Commons.

(5) If the Speaker’s Committee, in the discharge of their functions under this
paragraph—
(a) do not follow any recommendation contained in the report of the
Comptroller and Auditor General,
(b) do not follow any advice given to them by the Treasury, or
(c) make any modification to the plan,
they must include in the next report which they make to the House of
Commons under paragraph 1 of Schedule 2 of the 2000 Act a statement of
their reasons for so doing.

Annual examination by Comptroller and Auditor General

13 (1) For the purposes of paragraphs 11 and 12 the Comptroller and Auditor
General must in each year—
(a) carry out an examination into the economy, efficiency or
effectiveness (or any combination thereof) with which the Boundary
Committee for England has used its resources in discharging its
functions (or, if the Comptroller and Auditor General so determines,
any particular function),
(b) report to the Speaker’s Committee the results of the examination, and
(c) include in the report such recommendations as the Comptroller and
Auditor General considers appropriate in the light of the
examination.

(2) Section 8 of the National Audit Act 1983 (c. 44) (right to obtain documents
and information) applies in relation to any examination under this
paragraph as it applies in relation to an examination under section 6 of that
Act.
Accounts

14 (1) The Boundary Committee for England must keep accounting records.

(2) The Boundary Committee for England must, for each financial year, prepare accounts in accordance with directions given to it by the Treasury.

(3) Those directions may include directions as to—
   (a) the information to be contained in the accounts,
   (b) the manner in which the information is to be presented,
   (c) the methods and principles according to which the accounts are to be prepared, and
   (d) the additional information (if any) that is to accompany the accounts.

Audit

15 (1) The Boundary Committee for England must send copies of its accounts to—
   (a) the Comptroller and Auditor General, and
   (b) the Speaker’s Committee,
   as soon after the end of the financial year as may be practicable.

(2) The Comptroller and Auditor General must—
   (a) examine and certify accounts received under sub-paragraph (1),
   (b) report on the accounts, and
   (c) lay the certified accounts and report before Parliament.

Accounting officer

16 (1) The Speaker’s Committee must designate an employee of the Boundary Committee for England as the Boundary Committee for England’s accounting officer.

(2) The accounting officer is to have, in relation to the Boundary Committee for England’s accounts and finance, the responsibilities that are from time to time specified by the Speaker’s Committee.

(3) In this paragraph references to responsibilities include in particular—
   (a) responsibilities in relation to the signing of accounts;
   (b) responsibilities for the propriety and regularity of the Boundary Committee for England’s finances;
   (c) responsibilities for the economy, efficiency and effectiveness with which the Boundary Committee for England’s resources are used.

(4) The responsibilities which may be specified under this paragraph include responsibilities owed to the Boundary Committee for England, the Speaker’s Committee or the House of Commons or its Committee of Public Accounts.

(5) In this paragraph any reference to the Public Accounts Committee of the House of Commons is, if—
   (a) the name of that Committee is changed, or
   (b) its functions at the passing of this Act (or functions substantially corresponding thereto) become functions of a different committee of the House of Commons,
to be taken to be references to the Committee by its new name or (as the case may be) to the committee by whom the functions are for the time being exercisable.

Annual report

17 (1) The Boundary Committee for England must, as soon after the end of each financial year as may be practicable, prepare and lay before Parliament a report about the performance of the Boundary Committee for England’s functions during that financial year.

(2) The Boundary Committee for England must, on so laying such a report, publish it in such manner as it may determine.

Instruments and authentication

18 (1) The fixing of the seal of the Boundary Committee for England is to be authenticated by the signature of the chair or of another person authorised by the Committee to act for that purpose.

(2) A document purporting to be duly executed under the seal of the Boundary Committee for England, or to be signed on its behalf, is to be received in evidence and, unless the contrary is proved, is to be treated as having been so executed or signed.

Records

19 In the Public Records Act 1958 (c. 51), in Schedule 1 (definition of public records), in Part 2 of the Table at the end of paragraph 3, at the appropriate place insert—

20 “Boundary Committee for England.”

Investigation

21 In the Parliamentary Commissioner Act 1967 (c. 13), in Schedule 2 (departments etc subject to investigation), at the appropriate place insert—

22 “Boundary Committee for England”.

Freedom of information

23 In the Freedom of Information Act 2000 (c. 36), in Schedule 1, in Part 6 (other public bodies and offices: general), at the appropriate place insert—

24 “The Boundary Committee for England.”

House of Commons disqualification

25 In the House of Commons Disqualification Act 1975 (c. 24), in Part 2 of Schedule 1 (bodies of which all members are disqualified), at the appropriate place insert—

26 “The Boundary Committee for England.”
Transitional

27 (1) The Electoral Commissioner who immediately before the day on which section 49 comes into force is the chair of the Electoral Commission’s Boundary Committee is to be treated —
   (a) as having been appointed as the chair of the Boundary Committee for England under paragraph 2(2), and
   (b) as having been so appointed on the day on which, and for the term for which, that person was appointed as the chair of the Electoral Commission’s Boundary Committee.

   (2) A Deputy Electoral Commissioner who immediately before the day on which section 49 comes into force is a member of the Electoral Commission’s Boundary Committee is to be treated —
   (a) as having been appointed as a member of the Boundary Committee for England under paragraph 1(2), and
   (b) as having been so appointed on the day on which, and for the term for which, that person was appointed as a member of the Electoral Commission’s Boundary Committee.

Interpretation

28 In this Schedule —
   “the 2000 Act” means the Political Parties, Elections and Referendums Act 2000 (c. 41);
   “accounting unit” and “registered party” have the same meanings as in the 2000 Act (see section 160 of that Act).

SCHEDULE 2

Section 50

ELECTORAL CHANGE IN ENGLAND: CONSIDERATIONS ON REVIEW

County councils

1 (1) This paragraph applies where the Boundary Committee for England makes recommendations under section 50 in relation to the electoral arrangements for the area of a county council.

   (2) The recommendations must secure the following results —
   (a) an electoral area of the county council must not fall partly inside and partly outside any district,
   (b) every ward of a parish having a parish council (whether separate or common) must lie wholly within a single electoral area of the county council, and
   (c) every parish which is not divided into parish wards must lie wholly within a single electoral area of the county council.

   (3) Subject to sub-paragraph (2), in making the recommendations the Boundary Committee for England must have regard to —
   (a) the need to secure that the ratio of the number of local government electors to the number of members of the county council to be elected
is, as nearly as possible, the same in every electoral area of the council,
(b) the need to reflect the identities and interests of local communities
and in particular—
   (i) the desirability of fixing boundaries which are and will
       remain easily identifiable, and
   (ii) the desirability of not breaking local ties when fixing
       boundaries,
(c) the need to secure effective and convenient local government, and
(d) the boundaries of the electoral areas of any district council whose
    area is within the area of the county council.

(4) For the purpose of sub-paragraph (3)(a) the Boundary Committee for
    England must have regard to any change in the number or distribution of
    local government electors in the area of the county council which is likely to
    take place within the period of five years immediately following the making
    of the recommendations.

District councils

2 (1) This paragraph applies where the Boundary Committee for England makes
    recommendations under section 50 in relation to the electoral arrangements
    for the area of a district council.

(2) The recommendations must secure the following results—
   (a) every ward of a parish having a parish council (whether separate or
       common) must lie wholly within a single electoral area of the district
       council, and
   (b) every parish which is not divided into parish wards must lie wholly
       within a single electoral area of the district council.

(3) Subject to sub-paragraph (2), in making the recommendations the Boundary
    Committee must have regard to—
   (a) the need to secure that the ratio of the number of local government
       electors to the number of members of the district council to be elected
       is, as nearly as possible, the same in every electoral area of the council,
   (b) the need to reflect the identities and interests of local communities
       and in particular—
       (i) the desirability of fixing boundaries which are and will
           remain easily identifiable, and
       (ii) the desirability of fixing boundaries so as not to break any
           local ties,
   (c) the need to secure effective and convenient local government, and
   (d) in the case of a district council that is subject to a scheme for elections
       by halves or by thirds, or that has resolved to revert to being subject
       to such a scheme under Chapter 1 of Part 2 of the Local Government
       and Public Involvement in Health Act 2007 (c. 28), the desirability of
       securing that each electoral area of the district council returns an
       appropriate number of members of the council.

(4) For the purpose of sub-paragraph (3)(a) the Boundary Committee for
    England must have regard to any change in the number or distribution of
    local government electors in the area of the district council which is likely to
(5) For the purposes of sub-paragraph (3)(d)—
   (a) a district council is “subject to a scheme of elections by halves” if one half (or as nearly as may be) of its members are to be elected in each year in which it holds ordinary elections of members of the council;
   (b) a district council is “subject to a scheme of elections by thirds” if one third (or as nearly as may be) of its members are to be elected in each year in which it holds ordinary elections of members of the council;
   (c) the number of members of the district council returned by an electoral area of the council is “appropriate”—
      (i) in the case of a scheme for elections by halves, if it is divisible by 2;
      (ii) in the case of a scheme for elections by thirds, if it is divisible by 3.

London borough councils

3 (1) This paragraph applies where the Boundary Committee for England makes recommendations under section 50 in relation to the electoral arrangements for the area of a London borough council.

(2) The recommendations must secure the following results—
   (a) every ward of a parish having a parish council (whether separate or common) must lie wholly within a single electoral area of the London borough council, and
   (b) every parish which is not divided into parish wards must lie wholly within a single electoral area of the London borough council.

(3) Subject to sub-paragraph (2), in making the recommendations the Boundary Committee must have regard to—
   (a) the need to secure that the ratio of the number of local government electors to the number of members of the London borough council to be elected is, as nearly as possible, the same in every electoral area of the council,
   (b) the need to reflect the identities and interests of local communities and in particular—
      (i) the desirability of fixing boundaries which are and will remain easily identifiable, and
      (ii) the desirability of fixing boundaries so as not to break any local ties, and
   (c) the need to secure effective and convenient local government.

(4) For the purpose of sub-paragraph (3)(a) the Boundary Committee for England must have regard to any change in the number or distribution of local government electors in the area of the London borough council which is likely to take place within the period of five years immediately following the making of the recommendations.
Local Democracy, Economic Development and Construction Bill [HL]
Schedule 2 — Electoral change in England: considerations on review

Parish councils

4 (1) This paragraph applies where the Boundary Committee for England makes recommendations under section 50 in relation to the electoral arrangements for the area of a parish council (including a common parish council).

(2) In making any such recommendations, the Boundary Committee for England must have regard to—
   (a) the need to reflect the identities and interests of local communities, and in particular—
      (i) the desirability of fixing boundaries which are and will remain easily identifiable, and
      (ii) the desirability of fixing boundaries so as not to break any local ties,
   (b) the need to secure effective and convenient local government, and
   (c) the boundaries of the electoral areas of the principal council or councils in whose area the area of the parish council falls.

(3) In making any recommendations as to whether the area of the parish council is to be divided into wards for the election of members of the parish council, the Boundary Committee for England must have regard to—
   (a) whether the number or distribution of the local government electors in the area is such as to make a single election of the members of the council impracticable or inconvenient, and
   (b) whether it is desirable for any parts of the area of the parish council to be separately represented on the council.

(4) In making any recommendations as to—
   (a) the size and boundaries of wards, or
   (b) the number of members of a parish council to be elected for each ward,
the Boundary Committee for England must have regard to any change in the number or distribution of the local government electors in the area of the parish council which is likely to take place within the period of five years immediately following the making of the recommendations.

(5) In the case of the area of a parish council not divided into wards, in making recommendations as to the number of members to be elected for the parish council, the Boundary Committee for England must have regard to—
   (a) the number and distribution of the local government electors in the area of the parish council, and
   (b) any change in such number or distribution which is likely to take place within the period of five years immediately following the making of the recommendations.

Interpretation

5 In this Schedule—
   “local government elector” has the meaning given in section 270(1) of the Local Government Act 1972 (c. 70);
   “electoral area”, in relation to a principal council, means an area for which one or more members of the council are elected.
SCHEDULE 3

ELECTORAL CHANGE IN ENGLAND: INTERIM MODIFICATIONS OF THE LOCAL GOVERNMENT ACT 1992

Introductory

1 (1) Part 2 of the Local Government Act 1992 (c. 19) has effect during the interim period subject to the modifications in paragraph 2.

(2) In this paragraph “interim period” means the period beginning with the day on which this Act is passed and ending with the day immediately preceding the day on which section 49 comes into force.

(3) Nothing in this Schedule affects the effect of Part 2 of the Local Government Act 1992 in relation to any recommendation made to the Electoral Commission under that Part before the day on which this Act is passed.

Interim modifications of Part 2 of the Local Government Act 1992

2 (1) The modifications referred to in paragraph 1(1) are as follows.

(2) In section 15 (procedure on a review)—

(a) in subsection (5)—

(i) for “submit recommendations to the Electoral Commission” substitute “make recommendations”;

(ii) in paragraph (a), for “submit” substitute “make”;

(b) omit subsections (6) to (7A).

(3) For section 17 (implementation) substitute—

17 Implementation of review recommendations

(1) Where under section 15 the Boundary Committee for England makes recommendations for electoral changes, the Committee may by order give effect to all or any of the recommendations.

(2) An order under this section may in particular include provision as to—

(a) the total number of members of any principal council or parish council (“councillors”);

(b) the number and boundaries of electoral areas for the purposes of the election of councillors;

(c) the number of councillors to be returned by for any electoral area;

(d) the name of any electoral area;

(e) the election of councillors for any electoral areas;

(f) the order of retirement of councillors;

(g) the ordinary year of election for a parish council.

(3) An order under this section may not require or authorise the holding of an election for membership of a principal council otherwise than at an ordinary election for that council.

(4) An order under this section may—
Local Democracy, Economic Development and Construction Bill [HL]

Schedule 3 — Electoral change in England: interim modifications of the Local Government Act 1992

(a) contain incidental, consequential, supplementary or transitional provision, or savings;
(b) make different provision for different cases, including different provision for different areas or councils.

(5) The provision referred to in subsection (4)(a) may include provision—
(a) applying any instrument made under an enactment, with or without modifications,
(b) extending, excluding or amending any such instrument, or
(c) repealing or revoking any such instrument.

(6) Where the Boundary Committee for England is satisfied that—
(a) a mistake has occurred in the preparation of an order under subsection (1), and
(b) the mistake is such that it cannot be rectified by a subsequent order under this section by virtue of section 14 of the Interpretation Act 1978 (c. 30) (implied power to amend),
the Committee may by order under this subsection make such provision as it thinks necessary or expedient for rectifying the mistake.

(7) In subsection (6), “mistake”, in relation to an order, includes a provision contained in or omitted from the order in reliance on inaccurate or incomplete information supplied by any public body.

(8) An order under this section is to be made by statutory instrument.

(9) A draft of a statutory instrument containing an order under this section is to be laid before Parliament before the instrument is made.

(4) Omit sections 19 (regulations) and 26 (orders etc).

SCHEDULE 4

BOUNDARY AND ELECTORAL CHANGE: AMENDMENTS

Local Government Act 1972 (c. 70)

1 The Local Government Act 1972 is amended as follows.

2 (1) Section 6 is amended as follows.
   (2) In subsection (2)(a), for “sections 14(8) and 17(7) of the Local Government Act 1992” substitute “section 50(8) of the Local Democracy, Economic Development and Construction Act 2009”.
   (3) In subsection (3)(b), at the end insert “or Part 3 of the Local Democracy, Economic Development and Construction Act 2009”.

3 In sections 11A(10)(b), 12A(5)(b), 12B(6)(b) and 73(2), for “Electoral Commission” substitute “Boundary Committee for England”.

4 (1) In Schedule 2, paragraph 7 (electoral divisions and wards of London boroughs) is amended as follows.
(2) In sub-paragraph (1)(b) at the end insert “or section 53 of the Local Democracy, Economic Development and Construction Act 2009”.

(3) In sub-paragraph (2) for the words from “order” to “2007” substitute “order referred to in sub-paragraph (1)(b) above”.

In Schedule 3 (new authorities in England), in paragraph 10(1), (2) and (3), after “2007” insert “or Part 3 of the Local Democracy, Economic Development and Construction Act 2009”.

6 (1) Schedule 11 (rules to be observed in considering electoral arrangements) is amended as follows.

(2) Omit paragraphs 1 and 3.

(3) In paragraph 4(1), omit “by either of the Commissions”.

Environment Act 1995 (c. 25)

7 (1) In Schedule 8 to the Environment Act 1995 (supplemental powers of National Park Authorities), paragraph 7 (power to promote Bills) is amended as follows.

(2) In sub-paragraph (3)—
   (b) for “any local government area within the meaning of that Act” substitute “the area of any principal council (within the meaning of that Part) or parish council”.

Greater London Authority Act 1999 (c. 29)

8 The Greater London Authority Act 1999 is amended as follows.

9 In section 2(4) (Assembly constituencies), for “the Electoral Commission” substitute “the Boundary Committee for England”.

10 (1) Schedule 1 (Assembly constituencies and orders under section 2(4)) is amended as follows.

(2) For paragraph 1 substitute—

   “1 (1) This paragraph applies where the Secretary of State makes an order under section 10 of the Local Government and Public Involvement in Health Act 2007 which includes a boundary change (within the meaning of section 8(3) of that Act) affecting a London borough.

   (2) Where this paragraph applies, the Boundary Committee for England must consider whether to conduct a review of Assembly constituencies for the purpose of making recommendations as to—

   (a) whether the boundary change referred to in sub-paragraph (1) requires changes to Assembly constituencies in order to comply with the rules set out in paragraph 7 below, and
   (b) if so, what those changes should be.”
(3) For paragraph 2 substitute—

“(2) The Boundary Committee for England may at any time—
(a) conduct a review of Assembly constituencies, and
(b) make recommendations as to—
   (i) the area into which Greater London should be divided to form the Assembly constituencies, and
   (ii) the name by which each Assembly constituency should be known.

(2) No recommendations may be made by the Committee pursuant to a review under this paragraph unless the recommendations comply with the rules set out in paragraph 7 below.”

(4) For paragraphs 3 to 5 substitute—

“(3) As soon as reasonably practicable after deciding to conduct a review under paragraph 1 or 2, the Boundary Committee for England must take such steps as it considers sufficient to secure that persons who may be interested in the review are informed of—
(a) the fact that the review is to take place, and
(b) any particular matters to which the review is to relate.

(2) In conducting a review under paragraph 1 or 2 the Committee must—
(a) prepare and publish draft recommendations,
(b) take such steps as it considers sufficient to secure that persons who may be interested in the recommendations are informed of them and of the period within which representations with respect to them may be made, and
(c) take into consideration any representations made to the Committee within that period.

(3) The Committee may at any time before publishing draft recommendations under sub-paragraph (2)(a) consult such persons as it considers appropriate.

(4) As soon as practicable after conducting a review under paragraph 1 or 2 the Committee must—
(a) publish a report stating its recommendations, and
(b) take such steps as it considers sufficient to secure that persons who may be interested in the recommendations are informed of them.

(1) Where a report under paragraph 3 contains recommendations for changes to any Assembly constituency or the name by which any Assembly constituency is known, an order under section 2(4) may give effect to the recommendations.

(2) An order under section 2(4) may contain incidental, consequential, supplementary or transitional provision, or savings.

(3) The provision referred to in sub-paragraph (2) may include provision—
(a) applying any instrument made under an enactment, with or without modifications,
(b) extending, excluding or amending any such instrument, or
(c) repealing or revoking any such instrument.

(4) Where the Committee is satisfied that—
   (a) a mistake has occurred in the preparation of an order under section 2(4), and
   (b) the mistake is such that it cannot be rectified by a subsequent order under that section by virtue of section 14 of the Interpretation Act 1978 (c. 30) (implied power to amend),
the Committee may by order under section 2(4) make such provision as it thinks necessary or expedient for rectifying the mistake.

(5) In sub-paragraph (4), “mistake”, in relation to an order, includes a provision contained in or omitted from the order in reliance on inaccurate or incomplete information supplied by any public body.

(6) A draft of a statutory instrument containing an order under section 2(4) is to be laid before Parliament before the instrument is made.”

(5) Omit Part 2 (orders under section 2(4)).

Local Government and Public Involvement in Health Act 2007 (c. 28)

11 The Local Government and Public Involvement in Health Act 2007 is amended as follows.

12 In section 12 (provision relating to membership etc of authorities), in subsection (5), for the words from “the Electoral Commission” to the end substitute “the Boundary Committee must consider whether to exercise its power under section 50(2) of the Local Democracy, Economic Development and Construction Act 2009 (electoral reviews)”.

13 (1) Section 36 (notice to Electoral Commission) is amended as follows.
   (2) In the heading, for “Electoral Commission” substitute “Boundary Committee for England”.
   (3) In subsection (2), for “Electoral Commission” substitute “Boundary Committee for England”.

14 In section 41 (publicity for resolution), in subsection (4)(b), for “Electoral Commission” substitute “Boundary Committee for England”.

15 (1) Section 42 (notice to Electoral Commission) is amended as follows.
   (2) In the heading, for “Electoral Commission” substitute “Boundary Committee for England”.
   (3) In subsection (2), for “Electoral Commission” substitute “Boundary Committee for England”.

16 (1) Section 43 (Electoral Commission to consider whether electoral review is necessary) is amended as follows.
(2) In the heading, for “Electoral Commission” substitute “Boundary Committee for England”.

(3) In subsection (1), for “Electoral Commission” substitute “Boundary Committee for England”.

(4) In subsection (2), for the words from “the Commission” to “the Boundary Committee for England must consider whether to exercise its power under section 50(2) of the Local Democracy, Economic Development and Construction Act 2009”.

(5) In subsection (3), for the words from “to direct” to “the Commission” substitute “to conduct such a review, the Committee”.

17 (1) Section 44 (Electoral Commission to make order for new electoral scheme) is amended as follows.

(2) In the heading, for “Electoral Commission” substitute “Boundary Committee for England”.

(3) In subsection (1), for “Electoral Commission” substitute “Boundary Committee for England”.

(4) For subsection (2) substitute—
   “(2) But the Committee must not make the order—
   (a) before it has decided whether or not conduct an electoral review (see section 43(2)), and
   (b) if it has decided to conduct such a review, before the review is concluded.”

18 In sections 45(2)(a) (orders for elections by halves) and 47(2)(a) (orders for elections by thirds), for “Electoral Commission make” substitute “Boundary Committee for England makes”.

19 (1) Section 50 (power to Electoral Commission to make incidental etc provision) is amended as follows.

(2) In the heading, for “Electoral Commission” substitute “Boundary Committee for England”.

(3) For “Commission” substitute “Boundary Committee for England”.

20 (1) Section 51 (position if Electoral Commission act under existing powers) is amended as follows.

(2) In the heading, for “Electoral Commission” substitute “Boundary Committee for England”.

(3) For paragraphs (a) and (b) substitute—
   “(a) the Boundary Committee for England decides to conduct an electoral review (see section 43(2)), and
   (b) pursuant to that review the Committee makes recommendations for electoral changes,”.

(4) In the words after paragraph (b)—
   (a) for “the Commission”, in both places, substitute “the Committee”;

25
(b) for “section 17 of the Local Government Act 1992 (c. 19)” substitute “section 53 of the Local Democracy, Economic Development and Construction Act 2009”.

21 (1) Section 52 (publicity for order by Electoral Commission) is amended as follows.

(2) In the heading, for “Electoral Commission” substitute “Boundary Committee for England”.

(3) In subsection (1), for “Electoral Commission have” substitute “Boundary Committee for England has”.

22 (1) Section 59 (change of name of electoral area), is amended as follows.

(2) In subsections (5), (6)(a) and (7), for “Electoral Commission” substitute “Boundary Committee for England”.


23 (1) Section 86 (reorganisation of community governance) is amended as follows.

(2) In subsections (2) and (3), for “Electoral Commission” substitute “Boundary Committee”.

(3) In subsection (5), after paragraph (b) insert—

“(ba) section 53 of the Local Democracy, Economic Development and Construction Act 2009,”.

(4) In subsection (6)(b) after “under” insert “section 53 of the Local Democracy, Economic Development and Construction Act 2009,”.

24 In sections 92(2), (3), (4) and (5) (consequential recommendations), 96(7)(b) (publicising outcome), 98(1)(b), (2) and (7) (orders and regulations) and 100(2) (guidance), for “Electoral Commission” substitute “Boundary Committee”.

25 In section 102 (interpretation), in subsection (2), after the definition of “area under review” insert—

“Boundary Committee” means the Boundary Committee for England;”.

26 In section 240 (orders, regulations and guidance), in subsections (2) and (7)(a), for “Electoral Commission” substitute “Boundary Committee for England”.

SCHEDULE 5

REGIONAL STRATEGY: AMENDMENTS

Town and Country Planning Act 1990 (c. 8)

1 The Town and Country Planning Act 1990 is amended as follows.
Local Democracy, Economic Development and Construction Bill [HL]

Schedule 5 – Regional strategy: amendments

2 (1) Section 83 (making of simplified planning zone schemes) is amended as follows.

(2) In subsections (1A), (2B) and (4) (as inserted by section 42 of the Planning and
Compulsory Purchase Act 2004 (c. 5)) for “regional spatial strategy” substitute “regional strategy”.

(3) After subsection (4) insert—

“(5) In this section and in Schedule 7 references to a regional strategy are
to a regional strategy under Part 5 of the Local Democracy, Economic
Development and Construction Act 2009”.

3 (1) In Schedule 1 (local planning authorities: distribution of functions),
paragraph 7 (as substituted by Schedule 6 to the Planning and Compulsory
Purchase Act 2004) is amended as follows.

(2) In sub-paragraph (2)(a), for “the RPB” substitute “the responsible regional
authorities”.

(3) In sub-paragraph (3)—

(a) in paragraph (a), for “the RSS” substitute “the regional strategy”;
(b) in paragraph (b), for “the RPB has” substitute “the responsible
regional authorities have”.

(4) In sub-paragraph (5)(a), for “the RPB gives” substitute “the responsible
regional authorities give”.

(5) In sub-paragraph (7)(a), for “the RPB” substitute “the responsible regional
authorities”.

(6) In sub-paragraph (9)(a)—

(a) for “the RSS” substitute “the regional strategy”;
(b) for “section 5(8) of the 2004 Act” substitute “section 72(1) of the Local
Democracy, Economic Development and Construction Act 2009”.

(7) For sub-paragraph (11) substitute—

“(11) In this paragraph “responsible regional authorities”, in relation to
a regional strategy, has the same meaning as in Part 5 of the Local

4 In Schedule 7 (simplified planning zones), in paragraph 12(1A)(a) (as
substituted by section 49(6) of the Planning and Compulsory Purchase Act
2004) for “regional spatial strategy” substitute “regional strategy under Part
5 of the Local Democracy, Economic Development and Construction Act
2009”.

Regional Development Agencies Act 1998 (c. 45)

5 The Regional Development Agencies Act 1998 is amended as follows.

6 In section 7B (Secretary of State’s functions in relation to London
Development Agency strategy), for subsection (2) substitute—

“(2) The issues mentioned in subsection (1)(b) include issues relating to
any one or more of the following—

(a) Greater London,
(b) any area of England outside Greater London, and
(c) any part of the United Kingdom outside England.”

7 Omit section 8 (regional consultation).

8 In section 18 (regional accountability), omit subsections (1) and (1A).

Greater London Authority Act 1999 (c. 29)

9 The Greater London Authority Act 1999 is amended as follows.

10 In section 342 (matters to which Mayor to have regard), in subsection (1)(a)
   (as substituted by Schedule 7 to the Planning and Compulsory Purchase Act
   2004 (c. 5)), for “regional spatial strategy” substitute “regional strategy
   under Part 5 of the Local Democracy, Economic Development and
   Construction Act 2009”.

11 In Schedule 10 (Transport for London), in paragraph 2(3A), for “regional
   planning body”, substitute “responsible regional authorities (within the
   meaning of Part 5 of the Local Democracy, Economic Development and
   Construction Act 2009)”.

Planning and Compulsory Purchase Act 2004 (c. 5)

12 The Planning and Compulsory Purchase Act 2004 is amended as follows.

13 Omit sections 1 to 12 (regional functions).

14 In section 19 (preparation of local development documents), in subsections
   (2)(b) and (d), for “the RSS” substitute “the regional strategy”.

15 (1) Section 24 (conformity with regional strategy) is amended as follows.

   (2) In subsection (1)(a), for “the RSS” substitute “the regional strategy”.

   (3) Omit subsections (2) and (3).

   (4) In subsection (5), for the words from “subsection (2)” to the end substitute
       “subsection (4), the Mayor may give an opinion as to the general conformity
       of a local development document with the spatial development strategy”.

   (5) Omit subsections (6), (8) and (9).

16 In section 28 (joint local development documents), in subsection (4), for “the
   RSS”, in both places, substitute “regional strategy”.

17 In section 37 (interpretation), for subsection (6) substitute—

   “(6) “Regional strategy” means a regional strategy under Part 5 of the
       Local Democracy, Economic Development and Construction Act
       2009.

   (6A) “Responsible regional authorities” is to be construed in accordance
       with Part 5 of the Local Democracy, Economic Development and
       Construction Act 2009.”

18 (1) Section 39 (sustainable development) is amended as follows.

   (2) In subsection (1)—

       (a) omit paragraph (a);

       (b) in paragraph (b), after “Part 2” insert “of this Act”;
(c) in paragraph (c), after “Part 6” insert “of this Act”.

(3) In subsection (3), for “subsection (1)(a) and (b)” substitute “subsection (1)(b)”.

19 (1) Section 113 (validity of strategies etc) is amended as follows.

(2) In subsection (1)(a), for “the regional spatial strategy” substitute “the regional strategy”.

(3) In subsection (9), for paragraph (a) substitute—
   “(a) Part 5 of the Local Democracy, Economic Development and Construction Act 2009 in the case of a revision of the regional strategy”;.

(4) In subsection (11), for paragraph (a) substitute—
   “(a) for the purposes of a revision of the regional strategy, the date when the revision is published by the Secretary of State under Part 5 of Local Democracy, Economic Development and Construction Act 2009);”.

(5) After subsection (11) insert—
   “(12) In this section references to a revision of the regional strategy include a revised strategy under section 73 of the Local Democracy, Economic Development and Construction Act 2009.”

SCHEDULE 6

Section 114

EPBS AND COMBINED AUTHORITIES: AMENDMENTS

Landlord and Tenant Act 1954 (c. 56)

1 In section 69(1) of the Landlord and Tenant Act 1954 (interpretation), in the definition of “local authority”, for the words from “or a joint authority” to the end substitute “, a joint authority established by Part 4 of the Local Government Act 1985, an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 or a combined authority established under section 98 of that Act;”.

Trustee Investments Act 1961 (c. 62)

2 In section 11(4)(a) of the Trustee Investments Act 1961 (local authority investment schemes), after “Local Government Act 1985,” insert “an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act,”.

Local Government (Records) Act 1962 (c. 56)

3 (1) The Local Government (Records) Act 1962 is amended as follows.

(2) In section 2(6) (acquisition and deposit of records), after “(waste regulation and disposal authorities)” insert “, to an economic prosperity board
established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, to a combined authority established under section 98 of that Act”.

(3) In section 8(1) (interpretation), in the definition of “local authority”, after “(waste regulation and disposal authorities),” insert “or an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 or a combined authority established under section 98 of that Act”.

Local Government Act 1966 (c. 42)

4 In section 11(2) of the Local Government Act 1966 (grants for certain expenditure due to ethnic minority population), for the words from “and a joint authority” to the end substitute “, a joint authority established by Part 4 of the Local Government Act 1985, an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 and a combined authority established under section 98 of that Act as it applies to a local authority.”

Leasehold Reform Act 1967 (c. 88)

5 In section 28(5)(a) of the Leasehold Reform Act 1967 (retention or resumption of land required for public purposes), after “Local Government Act 1985,” insert “any economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, any combined authority established under section 98 of that Act,”.

Transport Act 1968 (c. 73)

6 In section 56(6) of the Transport Act 1968 (assistance towards capital expenditure on public transport facilities), after paragraph (bb) insert—

“(bc) a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009;”.

Local Government Grants (Social Need) Act 1969 (c. 2)

7 In section 1(3) of the Local Government Grants (Social Need) Act 1969 (provision for grants), for the words from “and a joint authority” to the end substitute “, a joint authority established by Part 4 of the Local Government Act 1985, an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 and a combined authority established under section 98 of that Act.”

Employers’ Liability (Compulsory Insurance) Act 1969 (c. 57)

Local Authorities (Goods and Services) Act 1970 (c. 39)


Local Government Act 1972 (c. 70)

10 The Local Government Act 1972 is amended as follows.

11 In section 70 (restriction on promotion of Bills for changing local government areas), in subsections (1) and (3), after “joint authority” insert “, economic prosperity board, combined authority”.

12 In section 80(2) (disqualifications for election and holding office as member of local authority), after “joint authority,” insert “economic prosperity board, combined authority,”.

13 In section 85(4) (vacation of office by failure to attend meetings), after “joint authority” insert “, an economic prosperity board, a combined authority”.

14 In section 86(2) (declaration by local authority of vacancy in office), after “joint authority” insert “, an economic prosperity board, a combined authority”.

15 In section 92(7) (proceedings for disqualification)—
   (a) after “includes a joint authority” insert “, an economic prosperity board and a combined authority”;
   (b) after “in relation to a joint authority” insert “, an economic prosperity board or a combined authority”.

16 In section 98(1A) (interpretation of sections 95 and 97), after “joint authority,” insert “an economic prosperity board, a combined authority,”.

17 In section 99 (meetings and proceedings of local authorities), after “joint authorities,” insert “economic prosperity boards, combined authorities,”.

18 In section 100J (application of Part 5A to new authorities)—
   (a) in subsection (1), after paragraph (bb) insert—
      “(bc) an economic prosperity board;
      (bd) a combined authority;”;
   (b) in subsection (2), in the words following paragraph (b), after “(bb)” insert “, (bc), (bd)”;
   (c) in subsection (3), after “(bb),” insert “(bc), (bd),”;
   (d) in subsection (4)(a), after “joint waste authority” insert “, an economic prosperity board, a combined authority”.

19 In section 101(13) (arrangements for discharge of functions by local authorities), after “police authority,” insert “an economic prosperity board, a combined authority,”.

20 In section 142(1B) (provision of information etc relating to matters affecting local government), after “the Local Government Act 1985” insert “an economic prosperity board, a combined authority”.
(1) Section 146A (application of provisions of Part 7 to joint authorities etc) is amended as follows.

(2) In subsection (1), in the opening words—
(a) for “subsection (1A)” substitute “subsections (1ZA), (1ZB) and (1A)”; 5
(b) after “joint authority,” insert “an economic prosperity board, a combined authority.”.

(3) After that subsection insert—

“(1ZA) In its application by virtue of subsection (1) to an economic prosperity board, section 111 has effect as if it did not permit the borrowing of money.

(1ZB) In its application by virtue of subsection (1) to a combined authority, section 111 has effect as if it permitted the borrowing of money for the purposes of the exercise by the authority of its transport functions only.”

22 In section 175(3B) (allowances for attending conferences and meetings), after “joint waste authority” insert “, an economic prosperity board, a combined authority”.

23 In section 176(3) (payment of expenses of official and courtesy visits), after “joint authority,” insert “an economic prosperity board, a combined authority,”.

24 In section 223(2) (appearance of local authorities in legal proceedings), after “joint authority,” insert “an economic prosperity board, a combined authority,”.

25 In section 224(2) (arrangements by principal councils for custody of documents), after “joint authority” insert “, economic prosperity board, combined authority”.

26 In section 225(3) (deposit of documents with proper officer of authority etc), after “joint authority” insert “, an economic prosperity board, a combined authority”.

27 In section 228(7A) (inspection of documents), after “joint authority” insert “, an economic prosperity board, a combined authority”.

28 In section 229(8) (photographic copies of documents), after “joint authority,” insert “an economic prosperity board, a combined authority,”.

29 In section 230(2) (reports and returns), after “joint authority” insert “, an economic prosperity board, a combined authority”.

30 In section 231(4) (service of notices on local authorities), after “joint authority,” insert “an economic prosperity board, a combined authority,”.

31 In section 232(1A) (public notices), after “joint authority,” insert “an economic prosperity board, a combined authority,”.

32 In section 233(11) (service of notices by local authorities), after “joint authority,” insert “an economic prosperity board, a combined authority,”.

33 In section 234(4) (authentication of documents), after “joint authority,” insert “an economic prosperity board, a combined authority,”.
In section 236(1) (procedure etc for byelaws), for “or an Integrated Transport Authority for an integrated transport area in England” substitute “, an Integrated Transport Authority for an integrated transport area in England or a combined authority”.

In section 236B(1) (power to revoke byelaws), after paragraph (d) insert “;
(e) a combined authority.”

In section 238 (evidence of byelaws), in the opening words, for “or an Integrated Transport Authority for an integrated transport area in England” substitute “, an Integrated Transport Authority for an integrated transport area in England or a combined authority”.

In section 239(4A) (power to promote or oppose local or personal Bills), after “joint authority” insert “, an economic prosperity board, a combined authority”.

In section 270(1) (general provisions as to interpretation), at the appropriate places insert—
““combined authority” means a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009;”;
““economic prosperity board” means an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;”.

In Schedule 12 (meetings and proceedings of local authorities), in paragraph 6A(1) (application of paragraph 1 to joint authorities), after “a joint authority” insert “an economic prosperity board, a combined authority”.

In section 13(7) of the Employment Agencies Act 1973 (interpretation: where Act does not apply), after paragraph (fza) insert—
“(fzb) the exercise by an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 of any of its functions;
(fzc) the exercise by a combined authority established under section 98 of that Act of any of its functions;”.

(1) The Local Government Act 1974 is amended as follows.

(2) In section 25(1) (authorities subject to investigation), after paragraph (cd) insert—
“(ce) any economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(cf) any combined authority established under section 98 of that Act.”.

(3) In section 26C (referral of complaints by authorities)—
(a) in subsection (6), after paragraph (d) insert—

“(e) in relation to an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a member of a constituent council of the board;

(f) in relation to a combined authority established under section 98 of that Act, a member of a constituent council of the authority.”;

(b) after subsection (6) insert—

“(7) For the purposes of subsection (6)(e)—

(a) a county council is a constituent council of an economic prosperity board if the area of the county council, or part of that area, is within the area of the board;

(b) a district council is a constituent council of an economic prosperity board if the area of the district council is within the area of the board.

(8) For the purposes of subsection (6)(f)—

(a) a county council is a constituent council of a combined authority if the area of the county council, or part of that area, is within the area of the combined authority;

(b) a district council is a constituent council of a combined authority if the area of the district council is within the area of the combined authority.”

Health and Safety at Work etc Act 1974 (c. 37)

42 In section 28(6) of the Health and Safety at Work etc Act 1974 (restrictions on disclosure of information), after “Local Government Act 1985,” insert “an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act,.”.

Local Government (Miscellaneous Provisions) Act 1976 (c. 57)

43 In section 44(1) of the Local Government (Miscellaneous Provisions) Act 1976 (interpretation etc of Part 1), in the definition of “local authority”—

(a) in paragraph (a), after “Local Government Act 1985,” insert “an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act,.”;

(b) in paragraph (c), after “(joint waste authorities),” insert “an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act,.”.

Race Relations Act 1976 (c. 74)

44 In Part 2 of Schedule 1A to the Race Relations Act 1976 (bodies and other persons subject to general statutory duty), at the appropriate places under
the heading “Other Bodies, Etc” insert—
“An economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;”;
“a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.”

Rent (Agriculture) Act 1976 (c. 80)

45 In section 5(3) of the Rent (Agriculture) Act 1976 (no statutory tenancy where landlord’s interest belongs to Crown or to local authority, etc), after paragraph (bb) insert—
“(bbza) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(bbzb) a combined authority established under section 98 of that Act;”.

Rent Act 1977 (c. 42)

46 In section 14(1) of the Rent Act 1977 (landlord’s interest belonging to local authority, etc), after paragraph (cba) insert—
“(cbb) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(cbc) a combined authority established under section 98 of that Act;”.

Protection from Eviction Act 1977 (c. 43)

47 In section 3A(8) of the Protection from Eviction Act 1977 (excluded tenancies and licences), after paragraph (a) insert—
“(aa) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(ab) a combined authority established under section 98 of that Act;”.

Local Government, Planning and Land Act 1980 (c. 65)

48 The Local Government, Planning and Land Act 1980 is amended as follows.

49 In section 2(1) (duty of authorities to publish information), after paragraph (kaa) insert—
“(kab) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(kac) a combined authority established under section 98 of that Act;”.

50 In section 98(8A) (disposal of land at direction of Secretary of State), after
paragraph (e) insert—
“(eza) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(ezb) a combined authority established under section 98 of that Act.”.

51 In section 99(4) (directions to dispose of land - supplementary), after paragraph (db) insert—
“(dbza) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(dbzb) a combined authority established under section 98 of that Act.”.

52 In section 100(1)(a) (meaning of “subsidiary”), after “Local Government Act 1985” insert “, an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act”.

53 In Schedule 16 (bodies to whom Part 10 applies), after paragraph 5B insert—
5BZB A combined authority established under section 98 of that Act.”

Public Passenger Vehicles Act 1981 (c. 14)

54 In section 4C(4)(e) of the Public Passenger Vehicles Act 1981 (power of senior traffic commissioner to give guidance and directions), after “Integrated Transport Authorities” insert “, of combined authorities”.

Acquisition of Land Act 1981 (c. 67)

55 In section 17(4) of the Acquisition of Land Act 1981 (local authority and statutory undertakers’ land), in paragraph (a) of the definition of “local authority”, after “Local Government Act 1985” insert “, a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009”.

Local Government (Miscellaneous Provisions) Act 1982 (c. 30)

56 (1) The Local Government (Miscellaneous Provisions) Act 1982 is amended as follows.

(2) In section 33(9) (enforceability by local authorities of certain covenants relating to land)—
(a) in paragraph (a), after “Local Government Act 1985” insert “, an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act”;
(b) in paragraph (b), after “joint authority” insert “, economic prosperity board, combined authority”.


(3) In section 41(13) (lost and uncollected property), in the definition of “local authority”, after paragraph (e) insert—

“(eza) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;

(ezb) a combined authority established under section 98 of that Act;”.

Stock Transfer Act 1982 (c. 41)

57 In paragraph 7(2)(a) of Schedule 1 to the Stock Transfer Act 1982 (specified securities), after “Local Government Act 1985,” insert “an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act,”.

County Courts Act 1984 (c. 28)

58 In section 60(3) of the County Courts Act 1984 (right of audience), in the definition of “local authority”, after “Local Government Act 1985,” insert “an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act,”.

Local Government Act 1985 (c. 51)

59 The Local Government Act 1985 is amended as follows.

60 In section 72(5) (accounts and audit), after “the London Fire and Emergency Planning Authority” insert “and a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.”

61 (1) Section 73 (financial administration) is amended as follows.

(2) Before “Each new authority” insert “(1)”.

(3) After the subsection (1) so formed insert—

“(2) The reference in this section to a new authority includes a reference to a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.”

Transport Act 1985 (c. 67)

62 The Transport Act 1985 is amended as follows.

63 In section 27A(7)(b) (additional powers where service not operated as registered), for “or Integrated Transport Authority” substitute “Integrated Transport Authority or combined authority”.

64 In section 64(1) (consultation with respect to policies as to services), after “Integrated Transport Authority,” insert “combined authority,”.

65 In section 93(8)(b)(i) (travel concession schemes), after “integrated transport area” insert “and a combined authority”.

66 In section 106(4) (grants for transport facilities and services), after paragraph
(a) insert—

“(aa) any combined authority;”.

67 In section 137 (general interpretation), after subsection (5) insert—

“(5A) References in this Act to a combined authority are references to a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.”

Housing Act 1985 (c. 68)

68 (1) Section 4 of the Housing Act 1985 (other descriptions of authority) is amended as follows.

(2) In subsection (1)(e), after “Local Government Act 1985,” (in both places) insert “an economic prosperity board, a combined authority,”.

(3) For subsection (2) substitute—

“(2) In this section—

“combined authority” means a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009; “economic prosperity board” means an economic prosperity board established under section 83 of that Act; “joint waste authority” means an authority established for an area in England by an order under section 207 of the Local Government and Public Involvement in Health Act 2007.”

Housing Associations Act 1985 (c. 69)

69 In section 106 of the Housing Associations Act 1985 (minor definitions - general), in the definition of “local authority”—

(a) after “the Local Government Act 1985” insert “, an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act”; (b) after “such a joint authority,” insert “such an economic prosperity board, such a combined authority,.”.

Landlord and Tenant Act 1985 (c. 70)

70 In section 38 of the Landlord and Tenant Act 1985 (minor definitions), in the definition of “local authority”, after “Local Government Act 1985,” insert “an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act,”.

Local Government Act 1986 (c. 10)

71 (1) The Local Government Act 1986 is amended as follows.

(2) In section 6(2)(a) (interpretation and application of Part 2), after the entry for “a joint authority established by Part 4 of the Local Government Act 1985,”
insert—

“an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009,
a combined authority established under section 98 of that Act,”.

(3) In section 9(1)(a) (interpretation and application of Part 3), after the entry for “a joint authority established by Part 4 of the Local Government Act 1985,” insert—

“a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009,”.

Landlord and Tenant Act 1987 (c. 31)

72 In section 58(1)(a) of the Landlord and Tenant Act 1987 (exempt landlords and resident landlords), for the words from “or a joint authority” to the end substitute “a joint authority established by Part 4 of the Local Government Act 1985, an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 or a combined authority established under section 98 of that Act;”.

Local Government Act 1988 (c. 9)

73 In Schedule 2 to the Local Government Act 1988 (public supply or works contracts: the public authorities), after the entry for “An Integrated Transport Authority for an integrated transport area in England” insert—

A combined authority established under section 98 of that Act.”

Local Government Finance Act 1988 (c. 41)

74 The Local Government Finance Act 1988 is amended as follows.
75 In section 74 (levies), after subsection (7) insert—

“(8) For the purposes of this section—
(a) a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009 shall be treated as a levying body with respect to which regulations may be made under subsection (2), and
(b) the reference in that subsection to the council concerned shall be treated as a reference to the combined authority’s constituent councils.

(9) For the purposes of subsection (8)—
(a) a county council is a constituent council of a combined authority if the area of the county council, or part of that area, is within the authority’s area;
(b) a district council is a constituent council of a combined authority if the area of the district council is within the authority’s area.
(10) Regulations under this section by virtue of subsection (8) may only make provision in relation to the expenses of a combined authority that are reasonably attributable to the exercise of its functions relating to transport.”

76 In section 88B(9) (special grants), after paragraph (b) insert “;
(c) a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.”

77 In section 111(2) (authorities to which provisions about financial administration apply), after paragraph (i) insert —
(ia) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009,
(ib) a combined authority established under section 98 of that Act.”.

78 In section 112(2) (authorities to which requirement to make arrangements for administration of financial affairs applies), after paragraph (b) insert “,
(c) any economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009.”

79 (1) The Housing Act 1988 is amended as follows.

(2) In section 74(8) (transfer of land and other property to housing action trusts), after paragraph (f) insert —
“(fa) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(fb) a combined authority established under section 98 of that Act.”.

(3) In paragraph 12(2) of Schedule 1 (local authority tenancies which cannot be assured tenancies), after paragraph (f) (and before the “and” following that paragraph) insert —
“(fa) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;
(fb) a combined authority established under section 98 of that Act.”.

80 In section 144(2)(a)(i) of the Road Traffic Act 1988 (exceptions from requirement of third-party insurance or security), for the words from “or a joint authority” to the end substitute “, a joint authority (other than a police authority) established by Part 4 of the Local Government Act 1985, an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 or a combined authority established under section 98 of that Act.”.
Local Government and Housing Act 1989 (c. 42)

81 (1) The Local Government and Housing Act 1989 is amended as follows.

(2) In section 4(6)(a) (authorities to which provisions about designation and reports of head of paid service apply), after “paragraphs (a) to (e)” insert “,(ja) and (jb)”.  

(3) In section 13(9) (voting rights of members of certain committees), in the definition of “relevant authority”, for “(j)” substitute “(jb)”.  

(4) In section 20(4)(a) (authorities to which duty to adopt certain procedural standing orders applies), for “(j)” substitute “(jb)”.  

(5) In section 21(1) (authorities to which provisions about local authority members, officers, staff and committees apply), after paragraph (j) insert—  
  “(ja) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;  
  (jb) an combined authority established under section 98 of that Act”.  

(6) In section 152(2) (interpretation of sections 150 and 151), after paragraph (i) insert—  
  “(iza) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;  
  (izb) a combined authority established under section 98 of that Act;”.

(7) In section 157(6) (commutation of, and interest on, periodic payments of grants etc), after paragraph (i) insert—  
  “(j) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009; and  
  (k) a combined authority established under section 98 of that Act;”.

(8) In Schedule 1 (authorities to which provisions about political balance on local authority committees etc apply)—  
  (a) in paragraph 2(1)(a), for “(j)” substitute “(jb)”,  
  (b) in paragraph 4(1), in paragraph (a) of the definition of “relevant authority”, for “(j)” substitute “(jb)”. 

Town and Country Planning Act 1990 (c. 8)

82 (1) The Town and Country Planning Act 1990 is amended as follows.

(2) In section 252(12) (procedure for making of orders), in the definition of “local authority”, after “Local Government Act 1985,” insert “an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009, a combined authority established under section 98 of that Act.”.

(3) In paragraph 1(3) of Schedule 14, in the definition of “council”, for the words from “or a joint authority” to the end substitute “a joint authority established by Part 4 of the Local Government Act 1985, an economic prosperity board.”
Local Democracy, Economic Development and Construction Bill [HL]
Schedule 6 — EPBs and combined authorities: amendments

established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 or a combined authority established under section 98 of that Act.”.

Local Government (Overseas Assistance) Act 1993 (c. 25)

83 In section 1(10) of the Local Government (Overseas Assistance) Act 1993 (power to provide advice and assistance), after paragraph (d) insert—

“(dza) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;

(dzb) a combined authority established under section 98 of that Act.”.

Railways Act 1993 (c. 43)

84 The Railways Act 1993 is amended as follows.

85 In section 25(1) (public sector operators not to be franchisees)—

(a) after paragraph (c) insert—

“(ca) any combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009;”;

(b) in paragraph (d), for “or an Integrated Transport Authority for an integrated transport area in England” substitute “, an Integrated Transport Authority for an integrated transport area in England or a combined authority”.

86 In section 149(5) (service of documents), in the definition of “local authority”, after “in England” insert “and a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009”.

Deregulation and Contracting Out Act 1994 (c. 40)

87 In section 79A of the Deregulation and Contracting Out Act 1994 (“Local authority”: England), after paragraph (m) insert—

“(ma) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;

(mb) a combined authority established under section 98 of that Act;”.

Housing Grants, Construction and Regeneration Act 1996 (c. 53)

88 In section 3(2) of the Housing Grants, Construction and Regeneration Act 1996 (ineligible applicants for grants), after paragraph (ja) (and before the “or” following that paragraph) insert—

“(jb) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;

(jc) a combined authority established under section 98 of that Act;”.
Audit Commission Act 1998 (c. 18)

89 In paragraph 1 of Schedule 2 to the Audit Commission Act 1998 (authorities whose accounts are subject to audit in accordance with the Act) after paragraph (q) insert—

“(r) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;

(s) a combined authority established under section 98 of that Act.”

Crime and Disorder Act 1998 (c. 37)

90 In section 17(2) of the Crime and Disorder Act 1998 (duty to consider crime and disorder implications), after the entry for “a joint authority” insert—

“a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009;”.

Local Government Act 1999 (c. 27)

91 In section 1(1) of the Local Government Act 1999 (best value authorities), after paragraph (h) insert—

“(ha) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;

(hb) a combined authority established under section 98 of that Act;”.

Greater London Authority Act 1999 (c. 29)

92 In section 211(1) of the Greater London Authority Act 1999 (public sector operators for the purposes of Chapter 7 of Part 4 of that Act)—

(a) after paragraph (c) insert—

“(ca) any combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009;”;

(b) in paragraph (d), for “or an Integrated Transport Authority for an integrated transport area in England” substitute “, an Integrated Transport Authority for an integrated transport area in England or a combined authority”.

Local Government Act 2000 (c. 22)

93 In section 49(6) of the Local Government Act 2000 (principles governing conduct of members of relevant authorities), after paragraph (n) insert—

“(na) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;

(nb) a combined authority established under section 98 of that Act.”
Freedom of Information Act 2000 (c. 36)

94 In Schedule 1 to the Freedom of Information Act 2000 (public authorities), in Part 2 (local government: England and Wales), after paragraph 19 insert—


19B A combined authority established under section 98 of that Act.”

Transport Act 2000 (c. 38)

95 The Transport Act 2000 is amended as follows.

96 In section 108(4) (meaning of “local transport authority” for purposes of Part 2 of that Act), after paragraph (c) (and before the “or” following that paragraph) insert—

“(ca) a combined authority,”.

97 (1) Section 109 (further provision about plans: England) is amended as follows.

(2) In subsection (2A), after “Integrated Transport Authority” insert “or a combined authority”.

(3) In subsection (2B)—

(a) in the opening words, after “Integrated Transport Authority” insert “or a combined authority”;

(b) in paragraph (a), after “Integrated Transport Authority” insert “or (as the case may be) the area of the combined authority”;

(c) in paragraph (c), after “Integrated Transport Authority” insert “or (as the case may be) the area of the combined authority”.

98 (1) Section 113 (role of metropolitan district councils) is amended as follows.

(2) In subsection (2), after “integrated transport area” insert “or a combined authority for an area”.

(3) In subsection (2A), after “Integrated Transport Authority” in each place insert “or (as the case may be) the combined authority”.

99 (1) Section 124 (quality contracts schemes) is amended as follows.

(2) In subsection (1A)—

(a) in the opening words, after “Integrated Transport Authority” in each place insert “or combined authority”;

(b) in paragraph (c), after “Integrated Transport Authority” insert “or the combined authority”.

(3) In subsection (1B)(a)—

(a) after “Integrated Transport Authority” insert “or combined authority”;

(b) after “Integrated Transport Authorities” insert “or combined authorities”.

(4) In subsection (11)—

(a) after “Integrated Transport Authority”, in each place, insert “or combined authority”;
(b) in paragraph (b)(ii), after “Integrated Transport Authorities” insert “or combined authorities”.

100 (1) Section 157 (grants) is amended as follows.

(2) After subsection (1) insert—

“(1A) The Secretary of State may, with the approval of the Treasury, make grants to a combined authority for the purpose of enabling the authority to carry out any of their functions.”

(3) In the heading, after “Authorities” insert “and combined authorities”.

101 In section 162 (interpretation of Part 2), after subsection (5) insert—

“(5A) In this Part “combined authority” means a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.”

102 (1) Section 163 (charging schemes: preliminary) is amended as follows.

(2) In subsection (3), in each of paragraphs (bb) and (cc), after “Integrated Transport Authority” insert “or combined authority”.

(3) In subsection (4A), after “integrated transport area” insert “or combined authority”.

(4) After subsection (5) insert—

“(5A) In this Part “combined authority” means a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.”

103 (1) Section 164 (local charging schemes) is amended as follows.

(2) In subsection (2), after “integrated transport area” insert “or the area of a combined authority”.

(3) In subsection (3)—

(a) in the opening words, after “integrated transport area” insert “or the area of a combined authority”;

(b) in paragraph (b), after “integrated transport area” insert “or (as the case may be) the combined authority”.

104 (1) Section 165 (joint local charging schemes) is amended as follows.

(2) In subsection (2), after “integrated transport area” insert “or the area of a combined authority”.

(3) In subsection (3)—

(a) in the opening words, after “integrated transport area” insert “or the area of a combined authority”;

(b) in paragraph (b), after “Integrated Transport Authority” insert “or (as the case may be) the combined authority.”

105 In section 165A(1)(b) (joint local-ITA charging schemes), after “Integrated Transport Authority” insert “or (as the case may be) the area of the combined authority.”

106 (1) Section 166 (joint local-London charging schemes) is amended as follows.
(2) In subsection (2), after “integrated transport area” insert “or the area of a combined authority”.

(3) In subsection (3)—
   (a) in the opening words, after “integrated transport area” insert “or the area of a combined authority”;
   (b) after paragraph (b) (and before the “and” following that paragraph) insert “or (as the case may be) the combined authority”.

107 (1) Section 166A (joint ITA-London charging schemes) is amended as follows.

(2) In subsection (1)(b), after “Integrated Transport Authority” insert “or (as the case may be) the area of the combined authority.”

(3) In subsection (3)(b), after “Integrated Transport Authority” insert “or combined authority”.

108 In section 167(2)(b) (trunk road charging schemes), after “Integrated Transport Authority” insert “, a combined authority”.

109 In section 168(2) (charging schemes to be made by order)—
   (a) after “Integrated Transport Authority” insert “, a combined authority”;
   (b) for “or the Integrated Transport Authority” substitute “, the Integrated Transport Authority or the combined authority”.

110 (1) Section 170 (charging schemes: consultation and inquiries) is amended as follows.

(2) In subsection (1A)(b), after “Integrated Transport Authority” insert “or a combined authority”.

(3) In subsection (7)(a), for “or Integrated Transport Authority” substitute “, Integrated Transport Authority or combined authority”.

111 In section 177A(1) (power to require information), for “or Integrated Transport Authority” substitute “, Integrated Transport Authority or combined authority”.

112 In section 193(1) (guidance), after “Integrated Transport Authorities” insert “, combined authorities”.

113 In section 194 (information), in each of subsections (1), (2) and (6) for “or Integrated Transport Authority” substitute “, Integrated Transport Authority or combined authority”.

114 In section 198(1) (interpretation of Part 3), at the appropriate place insert—
   ““combined authority” has the meaning given by section 162(5A)”.

115 (1) Schedule 12 (road user charging and workplace parking levy: financial powers) is amended as follows.

(2) In paragraph 2(4), for “or Integrated Transport Authority” substitute “, Integrated Transport Authority or combined authority”.

(3) In paragraph 3(2), for “or Integrated Transport Authority” substitute “, Integrated Transport Authority or combined authority”.
(4) In paragraph 7(5)(c), after “Integrated Transport Authority” insert “or combined authority”.

(5) In paragraph 8—
(a) in sub-paragraph (3)(aa), after “Integrated Transport Authorities” insert “and combined authorities”;
(b) in sub-paragraph (4)(aa) after “Integrated Transport Authority” insert “or combined authority”.

(6) In paragraph 11A(1), after “Integrated Transport Authority’s” insert “or combined authority’s”.

(7) In paragraph 11B(1), after “Integrated Transport Authority” insert “or a combined authority”.

(8) In paragraph 11C, in each of sub-paragraphs (1) and (3), after “Integrated Transport Authority” insert “or a combined authority”.

Police Reform Act 2002 (c. 30)

116 In Schedule 4 to the Police Reform Act 2002 (police civilians), in paragraph 2(6E), after paragraph (d) insert—

“(da) a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009;”.

Local Government Act 2003 (c. 26)

117 (1) The Local Government Act 2003 is amended as follows.

(2) In section 23 (authorities to which provisions about capital finance and accounts apply), after subsection (3) insert—

“(4) This Part, other than sections 1 to 8, 13 and 17 (borrowing etc), applies in relation to an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009 as it applies in relation to a local authority.

(5) This Part applies in relation to a combined authority established under section 98 of that Act as it applies in relation to a local authority, except that section 1 confers power on such a combined authority to borrow money for a purpose relevant to its transport functions only.”

(3) In section 33(1) (authorities to which provisions about expenditure grant apply), after paragraph (ja) insert—

“(jb) an economic prosperity board established under section 83 of the Local Democracy, Economic Development and Construction Act 2009;

(jc) a combined authority established under section 98 of that Act;”.

Courts Act 2003 (c. 39)

118 In section 41(6) of the Courts Act 2003 (disqualification of lay justices who
are members of local authorities), after paragraph (e) insert—
   “(ea) an economic prosperity board established under section 83 of
   the Local Democracy, Economic Development and
   Construction Act 2009,
   (eb) a combined authority established under section 98 of that
   Act.”.

Railways Act 2005 (c. 14)

119 In section 33(2) of the Railways Act 2005 (persons on whom closure
requirements may be imposed), after paragraph (d) insert—
   “(da) a combined authority established under section 98 of the
   Local Democracy, Economic Development and Construction
   Act 2009;”.

Concessionary Bus Travel Act 2007 (c. 13)

120 In section 9(6)(b) of the Concessionary Bus Travel Act 2007 (variation of
reimbursement and other administrative arrangements), for “or Integrated
Transport Authority” substitute “, Integrated Transport Authority or
combined authority”.

Local Government and Public Involvement in Health Act 2007 (c. 28)

121 (1) The Local Government and Public Involvement in Health Act 2007 is
amended as follows.

(2) In section 23(1) (definitions for purposes of Chapter 1), in the definition of
“public body”, after paragraph (e) insert—
   “(f) an economic prosperity board established under section 83 of
   the Local Democracy, Economic Development and
   Construction Act 2009;
   (g) a combined authority established under section 98 of that
   Act;”.

(3) In section 104(2) (application of Chapter 1 of Part 5: partner authorities),
after paragraph (i) insert—
   “(ia) an economic prosperity board established under section 83 of
   the Local Democracy, Economic Development and
   Construction Act 2009;
   (ib) a combined authority established under section 98 of that
   Act;”.

Local Transport Act 2008 (c. 26)

122 The Local Transport Act 2008 is amended as follows.

123 In section 79(1)(b) (provision that may be made in an order under section 78)
for “or 88” substitute “, 88 or 89A”.

124 In section 86(3) (delegation of functions of the Secretary of State), after
“section 90 or 91” insert “of this Act or section 101 or 102 of the Local
125 In section 87(5) (delegation of local authority functions), after “section 90 or 91” insert “of this Act or section 101 or 102 of the Local Democracy, Economic Development and Construction Act 2009.”

126 In section 88(1)(b) (conferral of a power to direct), after “section 90 or 91” insert “of this Act or section 101 or 102 of the Local Democracy, Economic Development and Construction Act 2009.”

127 After section 89 insert—

“89A Transfer of functions of combined authority

(1) The Secretary of State may by order transfer functions of a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009 to an ITA.

(2) An order under this section may only be made in relation to functions that—

(a) relate to transport, and

(b) are exercisable by the combined authority in relation to an area that becomes, or becomes part of, the ITA’s integrated transport area by virtue of an order under this Part.”

128 In section 90 (changing the boundaries of an integrated transport area) after subsection (4) insert—

“(5) The reference in subsection (3)(a) to an authority does not include a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.

(6) Subsection (3) does not apply if the territory becomes part of the area of a combined authority by virtue of an order under section 98 or 101 of that Act.”

129 In section 91 (dissolution of an integrated transport area), after subsection (3) insert—

“(4) The reference in subsection (2)(a) to an authority does not include a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009.

(5) Subsection (2) does not apply to a territory or part of a territory that becomes the area or part of the area of a combined authority by virtue of an order under section 98 or 101 of that Act.”

130 After section 102 insert—

“102A Application of Chapter to combined authorities

(1) This Chapter applies to a combined authority established under section 98 of the Local Democracy, Economic Development and Construction Act 2009 as it applies to an ITA.

(2) In the application of this Chapter to a combined authority, references to an integrated transport area are to the combined authority’s area.”
**SCHEDULE 7**

**REPEALS**

**PART 1**

**JOINT OVERVIEW AND SCRUTINY COMMITTEES**

<table>
<thead>
<tr>
<th>Short title and chapter</th>
<th>Extent of repeal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Government Act 2000 (c. 22)</td>
<td>In section 21(2A)(e), “local improvement targets”.</td>
</tr>
</tbody>
</table>
| Local Government and Public Involvement in Health Act 2007 (c. 28) | In section 123—
(a) in the heading, “local improvement targets”;  
(b) in subsection (5)(c)(ii), “relevant”;  
(c) in subsection (6), the definition of “relevant information” and the words from “and section 105(2) or (3)” to the end. |

**PART 2**

**AUDIT OF ENTITIES CONNECTED WITH LOCAL AUTHORITIES**

<table>
<thead>
<tr>
<th>Short title and chapter</th>
<th>Extent of repeal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Commission Act 1998 (c. 18)</td>
<td>Section 31.</td>
</tr>
</tbody>
</table>

**PART 3**

**LOCAL GOVERNMENT BOUNDARY AND ELECTORAL CHANGE**

<table>
<thead>
<tr>
<th>Short title and chapter</th>
<th>Extent of repeal</th>
</tr>
</thead>
</table>
| Local Government Act 1972 (c. 70) | In Schedule 11—  
(a) paragraphs 1 and 3;  
(b) in paragraph 4(1), “by either of the Commissions”. |
| Local Government Act 1992 (c. 19) | Section 12.  
Sections 13 to 17.  
Section 19.  
Sections 25 and 26.  
Section 27(2) and (3).  
In section 28—
(a) in subsection (1), the definition of “the Local Government Commission”;  
(b) subsection (3).  
Schedule 2. |
<p>| Access to Justice Act 1999 (c. 22) | In Schedule 11, paragraph 38. |
| Greater London Authority Act 1999 (c. 29) | In Schedule 1, Part 2. |</p>
<table>
<thead>
<tr>
<th>Short title and chapter</th>
<th>Extent of repeal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Government Act 2000 (c. 22)</td>
<td>Section 89(2) and 3.</td>
</tr>
<tr>
<td>Freedom of Information Act 2000 (c. 36)</td>
<td>In Part 6 of Schedule 1, the entry relating to the Local Government Commission for England.</td>
</tr>
<tr>
<td>Political Parties, Elections and Referendums Act 2000 (c. 41)</td>
<td>Section 14.</td>
</tr>
<tr>
<td></td>
<td>Section 15.</td>
</tr>
<tr>
<td></td>
<td>Sections 16 and 17.</td>
</tr>
<tr>
<td></td>
<td>Section 18.</td>
</tr>
<tr>
<td></td>
<td>Sections 19 and 20.</td>
</tr>
<tr>
<td></td>
<td>In section 156—</td>
</tr>
<tr>
<td></td>
<td>(a) in subsection (3)(a), “section 16(3) or”;</td>
</tr>
<tr>
<td></td>
<td>(b) subsection (4)(a).</td>
</tr>
<tr>
<td></td>
<td>In Schedule 1—</td>
</tr>
<tr>
<td></td>
<td>(a) paragraph 6;</td>
</tr>
<tr>
<td></td>
<td>(b) in paragraph 7(1), “or a Boundary Committee”;</td>
</tr>
<tr>
<td></td>
<td>(c) in paragraph 8(1), “(in addition to the Boundary Committees)”;</td>
</tr>
<tr>
<td></td>
<td>(d) paragraph 9(2);</td>
</tr>
<tr>
<td></td>
<td>(e) in paragraph 10(1), “(whether established under paragraph 8 or section 14)”;</td>
</tr>
<tr>
<td></td>
<td>(f) in paragraph 12(b) “(whether established under paragraph 8 or section 14)”;</td>
</tr>
<tr>
<td></td>
<td>(g) in paragraph 24(b), “or a Boundary Committee”.</td>
</tr>
<tr>
<td></td>
<td>In Schedule 3, Part 1.</td>
</tr>
<tr>
<td></td>
<td>In Schedule 21, paragraphs 9 and 10.</td>
</tr>
<tr>
<td></td>
<td>In Schedule 22, the entries relating to the Parliamentary Constituencies Act 1986 (c. 56) and the Boundary Commissions Act 1992 (c. 55).</td>
</tr>
<tr>
<td>Local Government and Public Involvement in Health Act 2007 (c. 28)</td>
<td>Section 11(4)(d).</td>
</tr>
<tr>
<td></td>
<td>Section 12(6).</td>
</tr>
<tr>
<td></td>
<td>Sections 55 to 57.</td>
</tr>
</tbody>
</table>
### PART 4

**REGIONAL STRATEGY**

<table>
<thead>
<tr>
<th>Short title and chapter</th>
<th>Extent of repeal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coroners Act 1988 (c. 13)</td>
<td>In section 1(1A)(e), “, section 17 of the Regional Assemblies (Preparations) Act 2003”.</td>
</tr>
<tr>
<td>Local Government Finance Act 1988 (c. 41)</td>
<td>In section 74(2A), “, section 17 of the Regional Assemblies (Preparations) Act 2003”. In section 89(2A), “or section 17 of the Regional Assemblies (Preparations) Act 2003”. In section 91(1)(aa), “, section 17 of the Regional Assemblies (Preparations) Act 2003”.</td>
</tr>
<tr>
<td>Regional Development Agencies Act 1998 (c. 45)</td>
<td>Section 8. Section 11(4A). Section 18(1) and (1A). In Schedule 2, paragraph 7(1A).</td>
</tr>
<tr>
<td>Greater London Authority Act 1999 (c. 29)</td>
<td>Section 306(1).</td>
</tr>
<tr>
<td>Regional Assemblies (Preparations) Act 2003 (c. 10)</td>
<td>The whole Act.</td>
</tr>
<tr>
<td>Planning and Compulsory Purchase Act 2004 (c. 5)</td>
<td>Sections 1 to 12. Section 24(2), (3), (6), (8) and (9). Section 39(1)(a).</td>
</tr>
<tr>
<td>Fire and Rescue Services Act 2004 (c. 21)</td>
<td>In sections 2(9)(c) and (10)(a) and 4(7)(b), “section 17 of the Regional Assemblies (Preparations) Act 2003 or®”.</td>
</tr>
<tr>
<td>Local Government and Public Involvement in Health Act 2007 (c. 28)</td>
<td>In Schedule 1, paragraph 21.</td>
</tr>
<tr>
<td>Statistics and Registration Service Act 2007 (c. 18)</td>
<td>In Schedule 3, paragraph 14.</td>
</tr>
<tr>
<td>Housing and Regeneration Act 2008 (c. 17)</td>
<td>Section 16.</td>
</tr>
<tr>
<td>Planning Act 2008 (c. 29)</td>
<td>Section 179. Section 181.</td>
</tr>
</tbody>
</table>

### PART 5

**CONSTRUCTION CONTRACTS**

<table>
<thead>
<tr>
<th>Short title and chapter</th>
<th>Extent of repeal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Grants, Construction and Regeneration Act 1996 (c. 53)</td>
<td>Section 107. In section 110— (a) subsection (2); (b) in subsection (3), “or (2)”.</td>
</tr>
</tbody>
</table>
Local Democracy, Economic Development and Construction Bill [HL]

A

B I L L

To make provision for the purposes of promoting public involvement in relation to local authorities and other public authorities; to make provision about bodies representing the interests of tenants; to make provision about the procedures of local authorities and the audit of entities connected with them; to establish the Boundary Committee for England and to make provision relating to local government boundary and electoral change; to make provision about local and regional development; to amend the law relating to construction contracts; and for connected purposes.

Baroness Andrews

Ordered to be Printed, 4th December 2008