

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Self Regulation Select Commission
2.	Date:	19th December, 2013
3.	Title:	The Draft Deregulation Bill
4.	Programme Area:	Environment and Development Services

5. Summary

This report informs the Commission of the content of the Draft Deregulation which is currently going through Parliament and its potential impacts on Rotherham.

6. Recommendations

That the Commission:-

- 1) Note the report**
- 2) Discuss potential impacts to Rotherham from the implementation of the bill.**

7. Proposals and Details

Background

The draft Deregulation Bill was published on 1 July 2013. It will be examined by a Joint Committee of both Houses of Parliament during the autumn; who have made a call for consultation to all interested parties. Legislation will be introduced 'when parliamentary time allows' and after the government has considered any recommendations made by the Committee.

The bill is aimed at three main groups:-

- Freeing business from red tape
- Making life easier for individuals and civil society
- Reducing bureaucratic requirements on public bodies and the taxpayer

The key issues for local authorities are likely to be the proposals on housing and the right to buy; energy and climate change; new structure for penalties for breaches of waste collection arrangements; repeals of requirements to prepare strategies and to consult; and modifications in the responsibility of regulatory bodies. There are also some deregulatory measures particularly in education which will be of interest.

Many of the changes will come into effect within two months of the Bill going onto the statute book: others will require consultation and may need regulations before being introduced.

Housing - right to buy

It is intended that the qualifying period for the right to buy be reduced from five years to three, with the aim of reaching a further 200,000 households in England where the change applies. The amendment also applies to tenants of housing associations with the right to acquire.

Housing strategies

A power in the Local Government Act 2003 for the Secretary of State to require local authorities to have housing strategies and to prepare housing statements is to be repealed, on the grounds that it has not been exercised, and there are no plans to do so.

Waste

The draft deregulation Bill was introduced with headline regarding government plans to revise the scheme enforcing compliance with recycling arrangements in England. The principle objective has been decriminalisation, but the new proposals will replace the current scheme of penalties with a complex structure that could be costly to enforce and may be difficult for residents to follow.

Householders will receive a written warning, followed by what appears to be a complex scheme for issuing fixed penalty notices – enforced as a civil debt – where failure to comply with waste disposal requirements has caused or is likely to cause a nuisance or to be detrimental to local amenities. This is a narrower test of non-compliance than at present. The new scheme will be introduced by regulations at some point after the Bill becomes law.

Strategies and consultation requirements

The repeal of the statutory duty on local authorities to prepare a sustainable community strategy was announced in April 2011 during the consultation on revised best value guidance. Local area agreements (LAAs) and multi-area agreements (MAAs) are also repealed. At the same time, the additional consultation requirements on best value authorities introduced by the Local Government and Public Involvement in Health Act 2007 will be repealed.

The government believes that local authorities can decide for themselves whether to prepare a sustainable community strategy. Local consultation will in future mainly focus on the basic best value requirements introduced in 1999, with which local authorities are still required to comply.

Regulators and economic growth

Regulatory bodies carrying out certain regulatory functions – to be identified after consultation – will be under an additional duty to have regard to the desirability of promoting economic growth when exercising those functions. This will include ensuring that any regulatory activity is both necessary and proportionate.

This follows the post-implementation review of the Regulators' Compliance Code which found that regulators had a tendency to regard the promotion of economic growth as subsidiary to their statutory duties, and the Focus on Enforcement reviews which found that businesses experience inconsistent or disproportionate enforcement decisions. In his report, 'No stone unturned: in pursuit of growth', Lord Heseltine recommended that an obligation should be imposed on regulators to take proper account of the economic consequences of their actions.

Other deregulatory measures

The Bill covers a wide range of subjects, with varying levels of relevance to local government. Those with road transport responsibilities or an interest in passenger rail may want to look carefully through the relevant schedules. Provisions of more general interest include:

Apprenticeships

Measures recommended by the Richard Review "will remove a lot of prescriptive detail in the current legislation and clarify the employment status of apprentices".

Public rights of way

Measures include devolving decisions on public rights of way to a local level.

Education

The Bill addresses discipline suspension and dismissal of school staff; setting of school terms dates; home-school agreements; the availability of school OFSTED reports and the setting of statutory targets.

Climate Change

The current duties on the Secretary of State are superseded by financially driven incentive schemes. The view of energy professionals is that these duties were complementary and their absence will slow down uptake of energy efficiency and renewable energy installations. The removal of these duties indicates a further confirmation of a hands-off approach to climate change and energy conservation on the part of government.

Summary

Many of the changes introduced by the proposed Bill will be minor and simply repeal measures that have become outdated, or put into effect changes in policy that have already been announced. Others could have more far-reaching consequences.

The decision for the draft to be considered by a Joint Committee is welcome as any social implications and impact on public policy can be carefully considered, and there will be an opportunity for sectors affected by the changes to make written and oral submissions.

8. Finance

Government estimates that reforms have already made savings of £212m per year for British businesses.

There is likely to be some savings to RMBC through the reduced requirements for strategies, plans, and other services, but at the current time it is not possible to quantify them.

9. Risks and Uncertainties

It is difficult to estimate the potential risks and uncertainties with regard to how this bill will impact on the workings of the Council. In theory working with business should become more straightforward, but whether this is the case will become clearer as the legislation is implemented.

10. Policy and Performance Agenda Implications

The Deregulation Bill is a very wide ranging document and as such will have an impact on many aspects of RMBC's policy and performance.

11. Background Papers and Consultation

Government have recently carried out consultation on the contents of the draft bill, however due to the technical nature of the consultation and the limited timescale to respond; RMBC did not submit a response.

Colleagues from Finance, RiDO, CYPS, Waste Management and Housing have been consulted in the production of this report.

A copy of the draft bill can be found at:-

<https://www.gov.uk/government/publications/draft-deregulation-bill>

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