# Local Government (Independence) Bill

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Bill 72 55/4

# BILL

TO

Define the independence of local government; to regulate the relationship between local and central government in England by means of a statutory Code; to require public authorities to act in compliance with the Code; to provide that the Code may only be amended by means of an order under the super-affirmative procedure, approved unanimously by each House of Parliament or by a majority in each House equal to or greater than two-thirds of the number of seats in each House; to exclude any Bill to amend this Act from the provisions of the Parliament Act 1911; to make provision regarding the powers and finances of local government in England; and for connected purposes.

Whereas it is expedient to declare that central and local government are independent and equal partners and that the rights, freedoms and duties of local authorities should be protected in law:

**B** E 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: —

#### 1 The Local Government Independence Code

- (1) There shall be a Code, to be known as "the Local Government Independence Code", the principal purpose of which shall be to define and regulate the relationship between central and local government.
- (2) Schedule 1 (which sets out the terms of the Code) shall have effect.

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# 2 Application of and compliance with the Code

Schedule 2 (which makes provision about the application of the Code, and which requires public authorities, including central and local government, to comply with the Code) shall have effect.

# 3 Amendment of the Code

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Schedule 3 (which makes provision for amending the Code) shall have effect.

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# 4 Interpretation and amendment of legislation

(1) A court or tribunal determining a question which has arisen in connection with the functions of a local authority, or of the Secretary of State or other public authority in relation to any local authority, must take into account the provisions of the Code.

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(2) Schedule 4 (which requires that, where it is possible to do so, primary legislation and subordinate legislation must be read and given effect in a way which ensures compliance with the Code, and makes provision for the amending of legislation where it is found not to be compatible with the Code) shall have effect.

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#### 5 Remedial orders

Schedule 5 (which makes provision about remedial orders to amend legislation) shall have effect.

# 6 Statements of compatibility

Schedule 6 (which makes provision for Ministers to make, or refuse to make, a statement that a Bill is compatible with the Code) shall have effect.

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#### 7 Amendment of the Parliament Act 1911

Schedule 7 (which amends the Parliament Act 1911 so as to exclude any Bill seeking to amend this Act from the provisions of the Parliament Act 1911) shall have effect.

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#### 8 Amendments to other enactments

The amendments set out in Schedule 8 (which provides for amendments which are consequential on the making of the Code to certain enactments relating to local authorities) shall have effect.

#### 9 Duty to review provisions in primary and subordinate legislation

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Schedule 9 (which requires the Secretary of State to provide for the review of provisions in pre-commencement legislation to assess their compatibility with the provisions of the Code) shall have effect.

#### 10 Interpretation

In this Act—

- (a) "local authority" means
  - (i) a county council in England,
  - (ii) a district council,
  - (iii) a London borough council,
  - (iv) the Common Council of the City of London in its capacity as a local authority,
  - (v) the Council of the Isles of Scilly, or
  - (vi) a parish council.

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- (b) "statutory provision" means a provision of an Act or of an instrument made under an Act.
- (c) any reference to "local government" shall be read as being a reference to one or more local authority as defined in subsection (1)(a).
- (d) any reference to "central government" shall be read as being a reference to the Secretary of State.
- (e) "enactment" includes any Act of Parliament and any instrument made under an Act.
- (f) "the Code" means the Local Government Independence Code.
- (g) "compliance with the Code" means compliance with the principles contained within the Code.

# 11 Short title, commencement and extent

- (1) This Act may be cited as the Local Government (Independence) Act 2014.
- (2) The provisions of this Act come into force on the day on which this Act is passed.
- (3) This Act extends to England only.

# SCHEDULES

# SCHEDULE 1 Section 1(2)

|            | ( )                                                                                                                                                                                                                                                                                        |    |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
|            | THE LOCAL GOVERNMENT INDEPENDENCE CODE                                                                                                                                                                                                                                                     |    |
| 1 (1)      | <ul> <li>This Code –</li> <li>(a) defines the relationship between central government and local authorities; and</li> <li>(b) makes provision about the financial independence and conduct of local authorities.</li> </ul>                                                                | 5  |
| (2)        | Local authorities and central government may seek legal redress in any case in which they believe a local authority (or two or more local authorities acting together), or central government, are not acting in compliance with the Code.                                                 | 10 |
| (3)        | For the avoidance of doubt, nothing in this Code shall affect the rights of individuals; and individuals may continue to seek judicial review of any action by a public authority which they regard as unjust or as infringing their rights.                                               | 15 |
| Local Au   | tonomy and Local Self-Government                                                                                                                                                                                                                                                           |    |
| 2 (1)      | Local authorities' accountability is to their electorates.                                                                                                                                                                                                                                 |    |
| (2)        | Local authorities are autonomous, democratically-elected bodies which independently decide upon, administer and regulate public affairs and deal with all matters of concern within their boundaries to the extent that such matters are not the statutory responsibility of another body. | 20 |
| (3)        | Local authorities shall continue to operate within the rule of law.                                                                                                                                                                                                                        |    |
| (4)        | Local authorities shall continue to operate with full legal personality and under a general power of competence. Subject to sub-paragraph (3), local authorities may pass measures on matters affecting the affairs and interests of their area.                                           | 25 |
| Scope of I | Local Government                                                                                                                                                                                                                                                                           |    |
| 3 (1)      | The powers and responsibilities of local authorities will continue to be prescribed by statute.                                                                                                                                                                                            | 30 |
| (2)        | Local authorities shall have power to exercise their initiative with regard to any matter which is not statutorily excluded from their competence or assigned to another body.                                                                                                             |    |

(3) Central government may not propose actions which are intended to, or may reasonably be regarded as being likely to, infringe the independence of local

government, as defined in this Code, or affect local government generally or any local authority, unless local government generally, or the local authority concerned, consents.

#### Inter-Governmental Activities

4 Central government and local authorities shall establish joint inspection regimes to set and monitor the standards of services supplied or secured by them.

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#### Territorial Autonomy

The geographical boundary of a local authority can be altered only by a proposal from the local authority itself or from its electorate. Local authorities must make arrangements for their electorates to put forward such proposals for consideration. Any such locally-inspired proposal for boundary changes, whether initiated directly by the authority or by the electorate of the authority, must be developed with the involvement of the Local Government Boundary Commission for England and shall be subject to approval of the electorate of the area concerned, under arrangements made by the local authority concerned and approved by the Electoral Commission.

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# Council Governmental Systems

(1) The electorate of each local authority, through methods agreed by the local authority concerned, shall have the power to choose that authority's internal political decision-making systems. The systems concerned shall include a directly elected mayor and cabinet, a cabinet and leader, a committee system, or any other political decision-making arrangement which the electorate may decide is appropriate.

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(2) The electorate of each local authority, through methods agreed by their local authorities, may, after a process of consultation carried out by the local authority concerned, agree to and adopt any electoral system for use in elections to that authority.

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# Local Government Financial Integrity

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- 7 (1) Local authorities shall be financially independent of central government, save as otherwise provided for in this Code.
  - (2) Central government may not place any restriction on decisions by local authorities about the exercise of their financial powers.
  - (3) The distribution of central government funds between local authorities shall continue on the basis of existing equalisation arrangements. Distribution will continue to be based on the principle of ensuring fairness and balance between local authorities. The basis on which this distribution is carried out must continue to be made public.

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(4) Each local authority shall receive from central government a guaranteed share of the annual yield of income tax, as follows. Central government must in each financial year assign to the Secretary of State responsible for the distribution of central government funds between local authorities an amount of money equivalent to the yield from ten pence in the pound of

- income tax. The Secretary of State must make arrangements to inform each taxpayer in England of the amount of their income tax which makes up the central government funding distributed to English local authorities as a whole.
- (5) The amount of the income tax yield referred to in paragraph 7(4) shall be renegotiated between central and local government whenever service provision responsibilities are transferred between central government and local authorities.

(6) Local authorities may raise additional sources of income in their areas in any way they wish, and with the consent of their electorates as expressed through arrangements to be determined and put in place by the local authority concerned.

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(7) Local authorities shall be able to raise any loans, bonds or other financial instruments which their credit rating allows and as independent entities will be exclusively responsible for their repayment. All local authorities shall operate "a balanced budget" so that in any one financial year all outgoings, including interest repayments on borrowings, shall not exceed income.

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- (8) Central government may not cap, or in any other way limit, local authorities' taxation powers.
- (9) The financial transparency standards that apply to central government shall apply to local authorities.

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(10) Central government and local authorities may contract with each other in order to pursue their own policy objectives.

# Local Authorities' right to co-operate and associate

8 (1) Local authorities are entitled, in pursuit of any undertaking, to co-operate in any way with any other persons, including local authorities, public and private bodies, voluntary, charity or third-sector organisations, and financial, commercial or private enterprises.

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(2) Where more than one local authority is responsible for services in a geographic area, those local authorities shall co-operate so as to maximise the well-being of those living or working in that area.

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(3) Local authorities may join any association for the protection and promotion of their common interests and may belong to an international association of any sort.

#### Decision-making

The administration of any local referendum or other vote on proposals put forward by the electorate of any local authority, or other local decision-making processes involving a public vote, shall adhere to standards set by the Electoral Commission; and those responsible for the conduct of any such decision-making processes shall be accountable to the Electoral Commission for their performance against those standards.

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# Legal Protection of Local Government

Local authorities may seek a judicial remedy in order to secure the free exercise of their powers, and any other principles of local self-government

or individual rights contained within this Code or otherwise enshrined in law.

# **SCHEDULE 2** Section 2 APPLICATION OF AND COMPLIANCE WITH THE CODE Acts of public authorities 5 1 It is unlawful for a public authority to act in a way which is not in compliance with the Code. 2 Paragraph 1 does not apply to an act of a local authority if as the result of one or more provisions of primary legislation, the authority could not have acted differently; or 10 in the case of one or more provisions of, or made under, primary legislation which cannot be read or given effect in a way which is compatible with the Code, the authority was acting so as to give effect to or enforce those provisions. 3 In this Schedule "public authority" includes central government, local 15 authorities and any other person certain of whose functions are functions of a public nature, but does not include either House of Parliament or persons exercising functions in connection with proceedings in Parliament; and "an act" includes a failure to act. **Proceedings** 20 (1) A person who claims that a public authority has acted (or proposes to act) in a way which is made unlawful by paragraph 1 may – bring proceedings against the authority under this Act in the appropriate court or tribunal, or 25 rely on the Code in any legal proceedings. (2) In sub-paragraph (1)(a) "appropriate court or tribunal" means such court or tribunal as may be determined in accordance with rules; and proceedings against an authority include a counterclaim or similar proceeding. (3) If the proceedings are brought on an application for judicial review, the applicant must have a sufficient interest in relation to the act. 30 (4) Proceedings under sub-paragraph (1)(a) must be brought before the end of— (a) the period of one year beginning with the date on which the act complained of took place; or such longer period as the court or tribunal considers equitable 35 having regard to all the circumstances, but that is subject to any rule imposing a stricter time limit in relation to the procedure in question.

(5) In sub-paragraph (1)(b) "legal proceedings" includes –

(a)

proceedings brought by or at the instigation of a public authority;

an appeal against the decision of a court or tribunal.

- (6) Nothing in this Act creates a criminal offence.
- (7) In this section "person" includes a local authority.

#### *Judicial remedies*

- (1) In relation to any act (or proposed act) of a public authority which the court finds is (or would be) unlawful, it may grant such relief or remedy, or make 5 such order, within its powers as it considers just and appropriate.

  - (2) But damages may be awarded only by a court which has power to award damages, or to order the payment of compensation, in civil proceedings.
  - (3) No award of damages is to be made unless, taking account of all the circumstances of the case, including –
    - any other relief or remedy granted, or order made, in relation to the act in question (by that or any other court), and
    - the consequences of any decision (of that or any other court) in respect of that act,

the court is satisfied that the award is necessary to afford just satisfaction to the person in whose favour it is made.

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(4) In this paragraph –

"court" includes a tribunal;

"damages" means damages for an unlawful act of a public authority;

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"unlawful" means unlawful under paragraph 1.

#### SCHEDULE 3

Section 3

#### AMENDMENT OF THE CODE

# Amendment of the Code

- (1) The Secretary of State may by order make such amendments to the Code as 25 the Secretary of State considers appropriate.
  - (2) Before making an order under sub-paragraph (1), the Secretary of State must consult
    - such local authorities, (a)
    - such representatives of local government, and

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such other persons (if any),

as the Secretary of State considers appropriate.

(3) Any orders for amendments made by the Secretary of State are subject to the procedures set out in paragraphs 2 to 4 of this Schedule.

### Limits on power of Secretary of State to amend the Code

- 2 (1) The Secretary of State may not make provision under paragraph 1(1) unless the Secretary of State considers that the conditions in sub-paragraph (2) are satisfied in relation to that provision.
  - (2) Those conditions are that —

|            | (a)<br>(b)<br>(c)   | author<br>effect<br>intended<br>the pro-<br>govern<br>Charte | ovision does not reduce the powers or discretion of local ities unless the Secretary of State objectively considers that the of the provision is proportionate to the policy objective ed to be secured by the provision; ovision does not remove any necessary protection for local ament or breach the obligations arising under the European or of Local Self-Government; and er under paragraph 1(1) may not make provision to abolish or my tax. | 5  |
|------------|---------------------|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| Procedure  | e for orde          | ers under                                                    | r paragraph 1                                                                                                                                                                                                                                                                                                                                                                                                                                         | 10 |
| 3 (1)      | the Secreta further | cretary of S<br>ary of S<br>r consul                         | of any consultation required by paragraph 1(2), it appears to of State that it is appropriate to change all or any part of the tate's proposals, the Secretary of State must undertake such lation with respect to the changes as the Secretary of State ropriate.                                                                                                                                                                                    | 15 |
| (2)        | Secreta             | ary of St<br>under                                           | enclusion of the consultation required by paragraph 1(2), the sate considers it appropriate to proceed with the making of an paragraph 1(1), the Secretary of State must lay before                                                                                                                                                                                                                                                                   |    |
|            | (a)<br>(b)          | an exp                                                       | of the order, and planatory document explaining the proposals and giving                                                                                                                                                                                                                                                                                                                                                                              | 20 |
|            |                     | details<br>(i)                                               | of— the Secretary of State's reasons for considering that the conditions in paragraph 2(2) are satisfied in relation to the proposals,                                                                                                                                                                                                                                                                                                                | 25 |
|            |                     | (ii)<br>(iii)                                                | any consultation undertaken under paragraph 1(2), any representations received as a result of the consultation, and                                                                                                                                                                                                                                                                                                                                   |    |
| 0 66       |                     | (iv)                                                         | any changes made as a result of those representations.                                                                                                                                                                                                                                                                                                                                                                                                | 20 |
| Super-affi | rmative             | resolutio                                                    | on procedure                                                                                                                                                                                                                                                                                                                                                                                                                                          | 30 |
| 4 (1)      |                     |                                                              | native resolution procedure shall apply in relation to the order pursuant to a draft order, as follows.                                                                                                                                                                                                                                                                                                                                               |    |
| (2)        | (a)<br>(b)<br>(c)   | any reg<br>any rec<br>any rec<br>charge                      | must have regard to— presentations, solution of either House of Parliament, and commendations of a committee of either House of Parliament d with reporting on the draft order,                                                                                                                                                                                                                                                                       | 35 |
| (2)        |                     | C                                                            | the 60-day period with regard to the draft order.                                                                                                                                                                                                                                                                                                                                                                                                     |    |
| (3)        |                     | terms of<br>stating<br>paragr                                | oiry of the 60-day period, the Minister wishes to make an order of the draft, he must lay before Parliament a statement—  whether any representations were made under subaph (2)(a), and  representations were so made, giving details of them.                                                                                                                                                                                                       | 40 |
| (4)        |                     | of the                                                       | may, after the laying of such a statement, make an order in the draft if it is approved by a resolution of each House of                                                                                                                                                                                                                                                                                                                              | 45 |

(5) However, a committee of either House charged with reporting on the draft order may, at any time after the laying of a statement under sub-paragraph (3) and before the draft order is approved by that House under subparagraph (4), recommend under this subsection that no further proceedings be taken in relation to the draft order. 5 (6) Where a recommendation is made by a committee of either House under sub-paragraph (5) in relation to a draft order, no proceedings may be taken in relation to the draft order in that House under sub-paragraph (4) unless the recommendation is, in the same Session, rejected by resolution of that House. 10 (7) If, after the expiry of the 60-day period, the Minister wishes to make an order consisting of a revised version of the draft order, he must lay before Parliament -(a) a revised draft order; and 15 a statement giving details of – any representations made under sub-paragraph (2)(a); and the revisions proposed. (8) The Minister may, after laying a revised draft order and statement under sub-paragraph (7), make an order in the terms of the revised draft if it is approved by a resolution of each House of Parliament. 20 (9) However, a committee of either House charged with reporting on the revised draft order may, at any time after the revised draft order is laid under sub-paragraph (7) and before it is approved by that House under subparagraph (8), recommend under this subsection that no further 25 proceedings be taken in relation to the revised draft order. (10) Where a recommendation is made by a committee of either House under sub-paragraph (9) in relation to a revised draft order, no proceedings may be taken in relation to the revised draft order in that House under subparagraph (8) unless the recommendation is, in the same Session, rejected by resolution of that House. 30 (11) For the purposes of sub-paragraphs (4) and (8) an order is made in the terms of a draft order if it contains no material changes to the provisions of the draft order. (12) In this schedule the "60-day period" means the period of 60 days beginning with the day on which the draft order was laid before Parliament under sub-35 paragraph (4). (13) In calculating any period of days for the purposes of this section, no account shall be taken of any time during which Parliament is dissolved or prorogued or during which either House is adjourned for more than four 40 days. A resolution of either House is valid for the purposes of this schedule if, and only if, the motion for the resolution – is agreed without a division; or is passed on a division in which the number of members who vote in

favour of the motion is a number equal to or greater than two-thirds

of the number of seats in the House (including vacant seats).

#### **SCHEDULE 4**

Section 4(2)

#### INTERPRETATION AND AMENDMENT OF LEGISLATION

## Interpretation of Legislation

1 (1) So far as it is possible to do so, primary legislation and subordinate legislation must be read and given effect in a way which is compatible with the Code.

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- (2) This paragraph—
  - (a) applies to primary legislation and subordinate legislation whenever enacted;
  - (b) does not affect the validity, continuing operation or enforcement of any incompatible primary legislation; and

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(c) does not affect the validity, continuing operation or enforcement of any incompatible subordinate legislation if (disregarding any possibility of revocation) primary legislation prevents removal of the incompatibility.

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# Declaration of Incompatibility

- 2 (1) Sub-paragraph (2) applies in any proceedings in which a court determines whether a provision of primary legislation is compatible with the Code.
  - (2) If the court is satisfied that the provision is incompatible with the Code, it may make a declaration of that incompatibility.

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- (3) Sub-paragraph (4) applies in any proceedings in which a court determines whether a provision of subordinate legislation, made in the exercise of a power conferred by primary legislation, is compatible with a provision of the Code.
- (4) If the court is satisfied –

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- (a) that the provision is incompatible with the Code, and
- (b) that (disregarding any possibility of revocation) the primary legislation concerned prevents removal of the incompatibility,

it may make a declaration of that incompatibility.

(5) In this paragraph "court" means the Supreme Court; the Court of Appeal; and the High Court.

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- (6) A declaration under this paragraph ("a declaration of incompatibility")
  - (a) does not affect the validity, continuing operation or enforcement of the provision in respect of which it is given; and
  - (b) is not binding on the parties to the proceedings in which it is made.

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# Power to take remedial action

- 3 (1) This paragraph applies if
  - (a) a provision of legislation has been declared under paragraph 2 to be incompatible with the Code and, if an appeal lies
    - (i) all persons who may appeal have stated in writing that they do not intend to do so;

**Orders** 

Schedule 4 - Interpretation and amendment of legislation the time for bringing an appeal has expired and no appeal has been brought within that time; or an appeal brought within that time has been determined or (iii) abandoned; or it appears to the Secretary of State that, having regard to any finding 5 of his under section 5(1) of the Localism Act 2011, a provision of legislation is incompatible with the Code. (2) If a Minister of the Crown considers that there are compelling reasons for proceeding under this section, he may by order make such amendments to the legislation as he considers necessary to remove the incompatibility. 10 (3) If, in the case of subordinate legislation, a Minister of the Crown considers thatit is necessary to amend the primary legislation under which the (a) subordinate legislation in question was made, in order to enable the incompatibility to be removed, and 15 there are compelling reasons for proceeding under this paragraph, he may by means of a remedial order make such amendments to the primary legislation as he considers necessary. (4) This paragraph also applies where the provision in question is in subordinate legislation and has been quashed, or declared invalid, by reason 20 of incompatibility with the Code and the Minister proposes to proceed under paragraph 2(b) of Schedule 5. (5) If the legislation is an Order in Council, the power conferred by subparagraph (2) or (3) is exercisable by Her Majesty in Council. (6) Schedule 5 makes further provision about remedial orders. 25 **SCHEDULE 5** Section 5 REMEDIAL ORDERS (1) A remedial order may – contain such incidental, supplemental, consequential or transitional 30 provision as the person making it considers appropriate; be made so as to have effect from a date earlier than that on which it (b) make provision for the delegation of specific functions; (c) make different provision for different cases. 35 (2) The power conferred by sub-paragraph (1)(a) includes – power to amend primary legislation (including primary legislation other than that which contains the incompatible provision); and power to amend or revoke subordinate legislation (including

(3) A remedial order may be made so as to have the same extent as the legislation which it affects.

incompatible provision).

subordinate legislation other than that which contains the

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(4) No person is to be guilty of an offence solely as a result of the retrospective effect of a remedial order.

#### Procedure

- 2 No remedial order may be made unless
  - (a) a draft of the order has been approved by a resolution of each House of Parliament made after the end of the period of 60 days beginning with the day on which the draft was laid; or
  - (b) it is declared in the order that it appears to the person making it that, because of the urgency of the matter, it is necessary to make the order without a draft being so approved.

#### Orders laid in draft

- 3 (1) No draft may be laid under paragraph 2(a) unless
  - (a) the person proposing to make the order has laid before Parliament a document which contains a draft of the proposed order and the required information; and
  - (b) the period of 60 days, beginning with the day on which the document required by this sub-paragraph was laid, has ended.
  - (2) If representations have been made during that period, the draft laid under paragraph 2(a) must be accompanied by a statement containing
    - (a) a summary of the representations; and
    - (b) if, as a result of the representations, the proposed order has been changed, details of the changes.

# Urgent cases

- 4 (1) If a remedial order ("the original order") is made without being approved in draft, the person making it must lay it before Parliament, accompanied by the required information, after it is made.
  - (2) If representations have been made during the period of 60 days beginning with the day on which the original order was made, the person making it must (after the end of that period) lay before Parliament a statement containing—
    - (a) a summary of the representations; and
    - (b) if, as a result of the representations, he considers it appropriate to make changes to the original order, details of the changes.
  - (3) If sub-paragraph (2)(b) applies, the person making the statement must
    - (a) make a further remedial order replacing the original order; and
    - (b) lay the replacement order before Parliament.
  - (4) If, at the end of the period of 120 days beginning with the day on which the original order was made, a resolution has not been passed by each House approving the original or replacement order, the order ceases to have effect (but without that affecting anything previously done under either order or the power to make a fresh remedial order).

#### **Definitions**

5 In this Schedule –

Calculating

|           | Schedule 5 – I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Remedial Orders |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
|           | "representations" means representations about a remedia<br>proposed remedial order) made to the person making (o<br>to make) it and includes any relevant Parliamentar<br>resolution; and                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | or proposing    |
|           | "required information" means —                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |
|           | <ul> <li>(a) an explanation of the incompatibility which the<br/>proposed order) seeks to remove, including partice<br/>relevant declaration, finding or order; and</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |
|           | (b) a statement of the reasons for proceeding unde<br>and for making an order in those terms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | er section 10   |
| lating pe | eriods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                 |
| be t      | calculating any period for the purposes of this Schedule, no a taken of any time during which—                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | account is to   |
| `         | a) Parliament is dissolved or prorogued; or                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |
| ()        | b) both Houses are adjourned for more than four days.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                 |
|           | SCHEDULE 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Section 6       |
|           | STATEMENTS OF COMPATIBILITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |
| mu        | Minister of the Crown in charge of a Bill in either House of ast, before Second Reading of the Bill—  a) make a statement to the effect that in his view the provided and the Code ("a statement to the provisions of the Code ("a statement to the code ("a statement t | isions of the   |
| (1        | compatibility"); or  b) make a statement to the effect that although he is unable statement of compatibility the government nevertheless. House to proceed with the Bill.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | le to make a    |
|           | e statement must be in writing and be published in such manister making it considers appropriate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | anner as the    |
|           | SCHEDULE 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Section 7       |
|           | AMENDMENT TO THE PARLIAMENT ACT 1911                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                 |
| am        | section 2(1) of the Parliament Act 1911 the words "or a Bil<br>end the Local Government Independence Code Act" shall<br>er the words "maximum duration of Parliament beyond five                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | be inserted     |
|           | SCHEDULE 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Section 8       |
|           | AMENDMENTS TO OTHER ENACTMENTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |

Chapter 4ZA and Chapter 4A of Part 1 of the Local Government Finance Act 1992 are repealed.

25

- 2 In Section 1 of the Localism Act 2011, after subsection (6) there is inserted — The general power of competence includes the power to raise revenue through any method including although not limited to local taxation, levies and duties." 3 Schedule 6 of the Localism Act 2011 is repealed. 5 SCHEDULE 9 Section 9 REVIEW OF LEGISLATION Duty to review provisions in primary and subordinate legislation (1) The Secretary of State shall, within six months of the passing of this Act, make provision by Order to provide for the review of all provisions in pre-10 commencement primary and subordinate legislation to assess their compatibility with the provisions of the Code. (2) The order must include – provision requiring the review of the compatibility of precommencement legislation to be completed within a five year period, 15 commencing with the date of passing of this Act; provision for incompatible pre-commencement legislation to cease to have effect no later than the end of a seven year period, commencing with the date of passing of this Act.
  - 2 (1) In this schedule, "pre-commencement legislation" means a provision that —

whether they could be achieved in another way.

(3) The provision that may be made by virtue of subsection (2)(a) includes

provision requiring the person to consider whether the objectives which it was the purpose of the legislation to achieve remain appropriate and, if so,

- (a) is contained in any other Act passed no later than the end of the Session in which this Act is passed, or
- (b) is contained in an instrument made under any other Act and comes into force before the commencement of section 1 of this Act.
- (2) Subordinate legislation under paragraph 1 may make transitional, consequential, incidental or supplementary provision or savings in connection with such provision.

# BILL

To define the independence of local government; to regulate the relationship between local and central government in England by means of a statutory Code; to require public authorities to act in compliance with the Code; to provide that the Code may only be amended by means of an order under the super-affirmative procedure, approved unanimously by each House of Parliament or by a majority in each House equal to or greater than two-thirds of the number of seats in each House; to exclude any Bill to amend this Act from the provisions of the Parliament Act 1911; to make provision regarding the powers and finances of local government in England; and for connected purposes.

Presented by Mr Graham Allen.

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