

RESEARCH PAPER 07/06 15 JANUARY 2007

# The Sustainable Communities Bill

Bill 17 of 2006-07

This Bill is sponsored by Nick Hurd, Conservative MP for Ruislip Northwood, who came first in the ballot for Private Members' Bills. It is due to have its second reading on 19 January 2007. The Bill has been drafted with the help of Local Works, a pressure group which campaigns to promote the involvement of local people in decisions about their local areas and to preserve local amenities and services. The Bill is supported by the Conservatives, who published a version in their pamphlet The Permissive State: How to achieve local social responsibility in November 2006. The theme of local sustainability is examined in the two interim reports from Sir Michael Lyons on local government finance and in the local government white paper Strong and prosperous communities published in October 2006. The Local Government and Public Involvement in Health Bill 2006-07 contains provisions to strengthen community input into local government. Earlier versions of the Bill have been introduced by Liberal Democrat Members, but with cross-party support, with an EDM in 2005-6 attracting 363 signatures.

The Bill requires the Secretary of State to draw up an action plan to promote the sustainability of communities, and to provide more transparency about government spending in localities. Local authorities are enabled to produce a local spending plan, following participation from local residents. The plan must be accepted by the Secretary of State unless it conflicts with national government spending plans.

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## Summary of main points

The *Sustainable Community Bill* is the product of several years' campaigning by a pressure group, Local Works, which has highlighted the closure of banks, pubs, corner shops, grocers and newsagents, causing 'deserts' where local communities no longer have easy access to shops and jobs, and leading to 'creeping homogenisation' of British towns and villages. Earlier versions of the Bill have been introduced to Parliament in sessions since 2001-02 by Liberal Democrat Members, but made no progress. Nick Hurd came first in the ballot for private members' bills in 2006-07 and announced that he would introduce the version of the Sustainable Communities Bill which had been published by David Cameron, leader of the Conservatives, in November 2006. The Bill appeared in the Conservative pamphlet *The Permissive State: how to achieve local social responsibility*. However, as with earlier versions of the Bill, there is cross-party support for its principles. In 2005-06 EDM 641 supporting earlier versions of the Bill attracted 363 signatures. Local Works has co-ordinated a series of local meetings to promote the idea of policies to sustain local communities.

The local government white paper *Strong and Prosperous Communities* was published in October 2006. It sets out a series of proposals "to give local citizens and communities a greater say over their lives". The Government's *Local Government and Public Involvement in Health Bill*, published in December 2006, is designed to implement some of these proposals, such as Local Area Agreements and Community Calls for Action. For further details see Library Research Paper 07/01. The Government's position is that the white paper contains proposals which will help to create greater local autonomy. Local Works have argued that while the proposals in the white paper are welcome, the approach of the *Sustainable Communities Bill* offers a more radical approach, which would empower local residents.

The issue of communities and their sustainability is one that has its origins in Agenda 21, which resulted from the 1990 summit on Environment and Development in Rio. This has now evolved into the concept of sustainable development. The generally accepted definition of sustainable development, from the Brundtland Report, states that it is development that "meets the needs of the present without compromising the ability of future generations to meet their own needs". This encompasses environmental, social and economic issues, which are seen as interdependent and mutually supporting pillars.

The *Sustainable Communities Bill* requires the Secretary of State to assist local councils in promoting sustainability. This includes:

- protecting or reviving local economic activity,
- protecting the local environment,
- decreasing the number of households affected by social exclusion and poverty
- increasing participation in civic and political society
- promoting the prudent use of natural resources.

The Secretary of State is required to publish a **community action plan**, setting out the measures that he will take to promote sustainability. He is required to have regard to a number of sustainability indicators, and also to relevant representations from local authorities, which in turn are required to solicit inputs from their residents, so that the production of the plan is genuinely 'bottom-up'. Other provisions in the Bill require the Secretary of State to publish **local community accounts** for a local authority at its request, indicating the amounts available to that local area. The local authority must submit a local

spending plan, showing how it would plan to allocate the relevant spending to services provided for the local community. The principle is to allow much more local discretion in spending programmes, except in areas relating to national priorities. National services are to be specified in an order by the Secretary of State in an order subject to the affirmative resolution. The Secretary of State is required to implement the **local spending plan** and to consult with other Government departments or agencies with responsibility for aspects of the local spending plans on the co-ordinated allocation of resources. The Bill extends to England and Wales, and applies to Northern Ireland and Scotland in respect of reserved areas.

Several of the indicators set out in the Bill's Schedule are measures of environmental sustainability. They include local procurement of products, organic food production, energy efficiency and micro-generation, congestion reduction, greenhouse gas emissions and local recycling of waste. Various local authorities have begun initiatives in many of these areas.

This Paper presents a number of relevant indicators. There has been a fall in numbers of VAT registered retail businesses and bank branches since 1995. Although the number of pubs shows a slight increase since 2001, there is concern that new licences are being issued to large high street chains and theme pubs. There is evidence to suggest consolidation into a smaller number of larger GP and dentist practices has taken place since 1994. In 2005 39 per cent of households in London did not have access to a car, compared to 11 per cent in rural areas. Take-up of concessionary fare schemes in London was 84 per cent in 2005, compared to 34 per cent in rural areas, possibly explained by a higher reliance on cars in rural areas. The overall number of holdings of agricultural land in the UK has increased from 244,000 to 307,000 between 1994 and 2004.

The authorities with the lowest economic activity rate tend to be concentrated in inner city areas, with just 59.6 per cent of the working age population in Hackney being economically active. Wards which score highest on the Index of Multiple Deprivation also tend to be in the inner city. One-half of people in England had undertaken formal or informal volunteering once a month. Civic activist activities had been undertaken at least once a month by 4 per cent of people in England, according to the Citizenship Survey.

The Bill's emphasis on greater transparency and accountability in respect of government finances has received a broad welcome from local government sources, but there is concern that the financial details of the Bill would need more detailed consideration for the scheme to work effectively.

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## I Background

Local Works is a pressure group which has campaigned for some years for the adoption of the Sustainable Communities Bill. According to its website<sup>1</sup>, the campaign was started by the New Economics Foundation in 2003 following their *Ghost Town Britain* and *Ghost Town Britain II* reports. These highlighted in particular the closure of banks, pubs, corner shops, grocers and newsagents which was creating 'deserts' where communities no longer had easy access to local shops and services. The reports deprecated the 'creeping homogenisation' of British towns and villages as well as a loss of local jobs and consumer choice. Local Works have promoted a succession of *Sustainable Communities Bill*, designed to enable local communities and councils to promote local sustainability plans. The campaign aims to build support across the country and to influence MPs so that the Bill can become law.

Private Member's Bills on the subject were introduced into Parliament by Liberal Democrat Members from session 2001-02 onwards. The earlier Bills were printed and bear many resemblances to one the model bill promoted by Local Works albeit with less emphasis on local consultation. None of the Bills made any legislative progress in Parliament but early day motions expressing support for the measures have been signed by an increasing number of MPs from all parties.

The Local Works website reports that 15,000 individuals, 1,000 local councils, 250 local organisations and over 350 MPs support the campaign. It further notes that the coalition in support of the campaign now has 62 national supporting organisations covering a wide range of civic, environmental and community organisations. Funding comes from the national organisations within the coalition and from individual supporters. The New Economics Foundation plays a leading role in the campaign and has followed its reports on *Ghost Town Britain* with reports and surveys of *Clone Town Britain*.

The Local Works website lists the date and location of public meetings held to discuss the Bill and the MPs who have spoken at them. There has been significant press coverage of such meetings in the local and regional press. For example, the *Rye and Battle Observer* quoted Local Works Campaign Organiser, Ron Bailey, following a meeting in Rye:-

"The decline of local communities - Ghost Town Britain - is going on everywhere. Often local citizens feel powerless to protect their communities due to forces that seem so distant. People have to watch vital local services and facilities like Post Offices and bank branches disappear whilst having no power to stop it. The Sustainable Communities Bill will change that by giving communities real power over policies affecting their own areas. What's needed is a bottom-up approach - with local communities having more say in what happens at a local level - not a Whitehall topdown approach."<sup>2</sup>

The *Bridport News* reported increasing support for the Bill in West Dorset and quoted Richard Hewlitt, Vice Chairman of Shipton Gorge Parish Council:-

<sup>&</sup>lt;sup>1</sup> <u>http://www.localworks.org/</u>

<sup>&</sup>lt;sup>2</sup> "Foster praised", *Rye and Battle Observer*, 14October 2005

"We were just pleased to support the bill not just for this parish where we have a number of issues - the post office has disappeared, the shop, our pub has closed - we feel it is relevant to us but we recognise that the issues are relevant to the rural area in general.

"I think it has hit a chord, it is timely but in practical terms that's where the proof of the pudding will be. Exactly what can people do? If businesses in rural areas are not financially viable in their own right are people gong to be happy to have them subsidised which in many cases is the only realistic course of action."

Coun Hewlitt said in Shipton villagers had been working on their own initiative, negotiating with Palmers brewery to get the pub re-opened but that really fell outside what the bill was promoting.

"But it is worth in principle supporting it because there are very real issues especially for the small local communities who do rely heavily on their local facilities which definitely are struggling."

Councillors said they support the bill because of the decline of local services which has a knock-on effect on the whole community but especially where the elderly and those on low incomes.<sup>3</sup>

A number of local authorities have debated earlier versions of the Bill. The London Assembly passed a motion in support of the Bill on 15 March 2006.<sup>4</sup>

## II Sustainable Local Communities: What are they?

The issue of communities and their sustainability is one that has its origins in Agenda 21, which resulted from the 1990 summit on Environment and Development in Rio. This has now evolved into the concept of sustainable development. The generally accepted definition of sustainable development, from the Brundtland Report, states that it is development that "meets the needs of the present without compromising the ability of future generations to meet their own needs". This encompasses environmental, social and economic issues, which are seen as interdependent and mutually supporting pillars.<sup>5</sup>

The term sustainable was taken up in many different contexts following the World Summit on Sustainable Development held in Johannesburg in 2002. *Sustainable Communities: building for the future* was published in February 2003. This set out the Government's Sustainable Communities Plan, which was launched by Office of the Deputy Prime Minister (ODPM) as a £22 billion plan to drive forward thriving and sustainable communities. In the accompanying press release the Right Hon John Prescott MP, stated that it "marked a real step-change in the Government's approach to urban and rural communities all over the country, which would create and maintain places in which people want to live, to which they would be proud to belong and which would stand the test of time". <sup>6</sup>

<sup>&</sup>lt;sup>3</sup> "Ghost town bill gathers support", *UK Newsquest Regional Press – This is Dorset*, 4 March 2006

<sup>&</sup>lt;sup>4</sup> London Assembly, "Power to the people, says London Assembly", Press release, 16 March 2006, <u>http://www.london.gov.uk/view press release a.jsp?releaseid=7585</u>

<sup>&</sup>lt;sup>5</sup> The Report of the Brundtland Commission, *Our Common Future*, Oxford University Press, 1987

<sup>&</sup>lt;sup>6</sup> ODPM, Redressing The Balance - Prescott Sets Out Action Plan For Sustainable Communities, 5 February 2003

Although the Plan did not include a definition of what the Government considers sustainable communities to be, it did state what they should include:

- A flourishing local economy to provide jobs and wealth;
- Strong leadership to respond positively to change;
- Effective engagement and participation by local people, groups and businesses, especially in the planning, design and long-term stewardship of their community, and an active voluntary and community sector;
- A safe and healthy local environment with well-designed public and green space;
- Sufficient size, scale and density, and the right layout to support basic amenities in the neighbourhood and minimise use of resources (including land);
- Good public transport and other transport infrastructure both within the community and linking it to urban, rural and regional centres;
- Buildings both individually and collectively that can meet different needs over time, and that minimise the use of resources;
- A well-integrated mix of decent homes of different types and tenures to support a range of household sizes, ages and incomes;
- Good quality local public services, including education and training opportunities, health care and community facilities, especially for leisure;
- A diverse, vibrant and creative local culture, encouraging pride in the community and cohesion within it;
- A "sense of place"; and
- The right links with the wider regional, national and international community

In its January 2005 Housing Report, the Environmental Audit Committee was critical of the ODPM's use of "sustainable" within this context and the failure of the Sustainable Communities Plan properly to include the principles of sustainable development:

It is clear that the Sustainable Communities Plan does represent a positive change in how the Government approaches growth and regeneration. However, we are disappointed not to see set out explicitly in the key requirements for a sustainable community the need to comply with the principles of sustainable development; and we deplore the absence of any reference to environmental protection, or the need to respect environmental limits.<sup>7</sup>

Shortly after the ODPM published in its Sustainable Communities Five Year Plan a definition of what it considered sustainable communities to be:

Sustainable communities are places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and run, and offer equality of opportunity and good services for all. The components of a sustainable community are:

- Active, inclusive and safe
- Well run
- http://www.communities.gov.uk/index.asp?id=1002882&PressNoticeID=1168 <sup>7</sup> EAC, *Housing: Building a Sustainable Future,* January 2005 http://pubs1.tso.parliament.uk/pa/cm200405/cmselect/cmenvaud/cmenvaud.htm

- Environmentally sensitive .
- Well designed and built
- Well connected •
- Thriving
- Well served
- Fair for everyone.8

A review of the Plan by Professor Anne Hill of the London School of Economics, published by the Sustainable Development Commission, was critical of the approach taken within the Plan:

The plan is essentially a 'top down' programme, which does little to encourage community involvement or ownership of the proposals, possibly for fear of opposition to its overall purpose. Neither large scale demolition of homes nor ambitious building plans in the south are immediately popular. The plan does not propose tools for delivery, to ensure longer-term community viability and environmental protection.9

A different approach is being proposed by the New Economics Foundation (NEF) which has been running two campaigns (Ghost Town Britain and Clone Town Britain) to highlight the loss of small businesses and local shops on the high streets, and the associated lack of distinctness as a result of national and international companies taking their place:

Economic systems that favour the large, remote and uniform threaten our local economies and communities, diversity and choice. Creating the right balance between local and global economies will help to increase individual well-being, reduce inequalities and promote environmental sustainability<sup>10</sup>

NEF has been calling for a Sustainable Communities Bill since 2003 with the aim of giving "local authorities, communities and citizens a powerful voice in planning their future to guarantee dynamic and environmentally sustainable local economies".<sup>11</sup> Local Works, the campaign group which is promoting the current Bill, defines local sustainability as follows:

By local sustainability we mean policies that work towards the long-term well-being of any given area. That means promoting local economic needs - so money that is spent locally benefits local shops, services and communities, not remote shareholders. Or, that the long-term environmental impacts of any planning or economic policies are central to the process of deciding whether they go ahead or not. The provisions in the Bill empower communities and local councils to make their own decisions on how to make their local areas sustainable.<sup>12</sup>

Local Works sets out four factors by which local sustainability should be measured:

<sup>&</sup>lt;sup>8</sup> ODPM, Five Year Plan - Sustainable Communities: Homes for All, January 2005 http://www.communities.gov.uk/index.asp?id=1122851

<sup>&</sup>lt;sup>9</sup> Professor Ann Hill, *Review of the Government's Sustainable Communities Plan* http://sticerd.lse.ac.uk/dps/case/CR/CASEreport23.pdf

<sup>&</sup>lt;sup>10</sup> NEF Website, http://www.neweconomics.org/gen/m1 1 i4 renewal.aspx

<sup>&</sup>lt;sup>11</sup> NEF, *Clone Town Britain*, September 2004,

http://www.neweconomics.org/gen/uploads/mrrefr55lrogjwrefpvg525528082004130712.pdf <sup>12</sup> Local Works Website, http://www.localworks.org/

- thriving local economies
- social inclusion
- environmental protection
- active democratic participation

The aim of the current Bill is to promote the sustainability of all local communities, though there is no definition within the Bill of what this would constitute. However, the proposed Bill does list, in its Schedule, indicators that the Secretary of State must have regard to when preparing the proposed action plan. These indicators focus on localised decision making, well-being, environmental issues and on measures of local economic activity.

There has been growing interest in the performance of local councils in promoting 'green' issues. For example, Woking has reduced its CO2 emissions in its council buildings by 77 per cent through energy efficient measures. <sup>13</sup> About half of all councils have signed the voluntary Nottingham Declaration, pledging to cut CO2 emissions within their localities. The Department for Communities and Local Government (DCLG) launched a Partnership for Renewables, run by the Carbon Trust in September 2006.<sup>14</sup>

Accompanying this development has been a greater emphasis on community action and empowerment. David Miliband, Secretary of State for the Environment, Food and Rural Affairs, wrote in a newspaper article recently:

It also challenges our way of thinking about politics. Our conception of politics has been Whitehall and Westminster based. It has been about managing not mobilising, governing, not campaigning, based on active government and passive citizens. The environment shows how outdated this is. People don't want the remote influence of lobbying their representatives through the occasional tick in the ballot box. They want to be players.<sup>15</sup>

Sustainability encompasses a whole range of issues. Literature from Local Works refers for example to the issue of closure of sub-post offices as an indicator of decline. Library Standard Notes no 714 *Rural Post Offices* and 2585 *Numbers of Post Offices* provide a guide to the issue. The topic was debated in the Commons on 10 January 2007, on an Opposition motion.<sup>16</sup>

## III Sustainability and local democracy

The term sustainability covers a wide range of issues, as specified in the Schedule to the *Sustainable Communities Bill.* One of the indicators is "social inclusion, including an increase in involvement in local democracy". Another refers to mutual aid and community groups.

<sup>&</sup>lt;sup>13</sup> See for example "Leading by example" 3 January 2007 *Guardian* 

<sup>&</sup>lt;sup>14</sup> "You can make a real difference, says David Miliband" 14 December 2006 Local Government Chronicle

<sup>&</sup>lt;sup>15</sup> "Labour must be the natural home for the green crusade" 9 January 2007 *Guardian* 

<sup>&</sup>lt;sup>16</sup> HC Deb 10 January 2007 c348-405

A major theme behind the Local Works campaign is the need for greater autonomy for local government and greater participation in decision-making at the local level.

Local government in England is structured in two contrasting ways. In parts of England, a single tier "all purpose council" is responsible for all local authority functions (Unitary, Metropolitan or London Borough). There are 116 single tier authorities in England. The remainder of England has a two-tier system, in which two separate councils divide responsibilities between district and county councils. There are 238 district councils in the 34 English county councils. For further information on local authority structures and proposals for reform, see Library Research Paper 07/01 *The Local Government and Public Involvement in Health Bill.* 

In these two-tier systems the county councils are responsible for education, highways, social services, libraries and waste disposal. Fire services are provided by those counties not covered by a separate shire fire authority. The shire districts are responsible for housing, leisure & recreation facilities, waste collection, environmental health and revenue collection.

There has been concern for some time that the balance between central and local government has tipped too far in favour of the former. The white paper of October 2006 cites poll evidence that 61 per cent of citizens feel that they have no influence over decisions affecting their local areas.<sup>17</sup> The continuing low turnout rate in local elections has also been interpreted as expressing dissatisfaction with current arrangements. The Electoral Commission has published reports on voter participation. The report *Social Exclusion and Political Participation* was published in 2005<sup>18</sup> and found that political interest declined according to social class:

5.6 Research by Charter 88 has found that social class appears to have the most negative effect on perceptions of political efficacy and our first *Audit of political engagement* found differences by social class in terms of knowledge and interest in politics: 29% of C2DEs felt they knew at least a fair amount about politics, compared to 56% of ABC1s. Thirty-six per cent of C2DEs, compared to 63% of ABC1s, said they were fairly or very interested in politics. Furthermore, while the second Audit also found a strong aspiration on the part of most people to 'have a say in how the country is run', those from lower socio-economic groupings were relatively less likely to want to do so.

The Electoral Commission report cited research from the National Centre of Social Research on the trend towards disengagement from politics among young people:

6.5 Parents are an important influence on their children's political engagement. The decline in interest in politics is significantly more noticeable among young people whose parents are not politically interested compared to those whose parents are more politically interested: 16% and 48% respectively. NatCen found that '... young people's political interest is significantly affected by the discussions they hear at

<sup>&</sup>lt;sup>17</sup> 2005 Citizenship Survey Active Communities Report, cited in Strong and Prosperous Communities: the Local Government White Paper Cm 6939 October 2006 at 2.15

<sup>&</sup>lt;sup>18</sup> <u>http://www.electoralcommission.org.uk/files/dms/Socexclfinalrept\_19491-14052\_E\_N\_S\_W\_.pdf</u>

home... early exposure to talk about politics has an important influence on their own eventual interest in the subject'. <sup>19</sup>

The Electoral Commission also jointly publishes with the Hansard Society the annual *Audit of Political Engagement.*<sup>20</sup> The Audit published in March 2006 sounded a warning note about the desire for political participation among British residents:

Finally, the audit provides some valuable insights about the extent to which people want to become involved in politics. It shows that while a majority of the public express a desire to have a say in how the country is run, they are less enthusiastic about the prospect of acting out this desire. Significantly, this is most true of people who are currently least engaged, suggesting that opening up new and more direct channels for involvement may be insufficient if the goal is to increase political engagement among the wider population.<sup>21</sup>

These themes were picked up by the independent Power Inquiry whose remit was to understand how participation in British politics could be increased and deepened. This reported on 27 February 2006 and further details are available in Library Standard Note no 2948. Local and central relations featured in three of its recommendations as follows:

6. There should be an unambiguous process of decentralisation of powers from central to local government.

7. A concordat should be drawn up between central and local government setting out their respective powers.

8. Local government should have enhanced powers to raise taxes and administer its own finances.

The report quoted the local government academic Professor Gerry Stoker as follows:

There have been lots of reasons for why people don't vote in local elections but the main explanation, interestingly enough from the survey work that was done in the '70s and in the survey work that was done at the start of this new century, was that basically people thought that local government was irrelevant so why would they vote? Because it's not actually addressing things that they think are important.<sup>22</sup>

The Power inquiry emphasised that there was also distrust of local government as inefficient and unresponsive to local concerns. The report described initiatives such as the Harrow Open Budget Assembly of October 2005, which brought together 300 Harrow residents to discuss the main principles of the council's budget, as an example of real local participation.<sup>23</sup>

<sup>&</sup>lt;sup>19</sup> <u>www.natcen.ac.uk/natcen/pages/op\_socialattitudes.htm</u> This is an annual survey of young people investigation changes in social, economic, political and cultural attitudes in Great Britain

<sup>&</sup>lt;sup>20</sup> The most recent Audit of Political Engagement (March 2006) is at <u>http://www.electoralcommission.org.uk/files/dms/Auditofpoliticalengagement3-fullreport\_20006-14653 E N S W .pdf</u>

<sup>&</sup>lt;sup>21</sup> Executive Summary

<sup>&</sup>lt;sup>22</sup> Power to the People: An Independent Inquiry into Britain's Democracy Joseph Rowntree Charitable Trust and Joseph Rowntree Reform Trust February 2006, p157

<sup>&</sup>lt;sup>23</sup> Ibid p226

A key concern is that of social exclusion. The most significant recent development is the publication of *Reaching Out: An Action Plan on Social Exclusion*, last September, discussed in Library Standard Note no 4221 *Social Exclusion*. There was a debate in the Commons on Thursday 11 January on social exclusion where the general topic was discussed on a motion for the adjournment.<sup>24</sup> This was the subject of a debate last Thursday. The action plan is at <u>http://www.cabinetoffice.gov.uk/social exclusion task force/publications/reaching out/</u>

## A. Local government finance

The way in which central government distributes money to local government is recognised as complex. An overall guide is given in Library Standard Note no 3932 *Local Government Financial Settlement 2006-7.* The main aspects of the system can be summarised as follows:

- Local authority revenue expenditure is financed from four main sources; government grants, business rates, council tax and fees/charges.
- Local authorities receive formula grant through the annual local government finance settlement. The formula grant forms only part of the central Government provision as local authorities also receive special grants, which may or may not be ring-fenced for specific purposes. Special grants and the formula grant are collectively known as Aggregate External Finance (AEF).
- In addition to the special grants that are included in the AEF, the Government makes other special grant payments to local authorities. These grants are usually referred to as specific grants outside AEF and include grants towards the cost of mandatory student awards and grants in respect of the mandatory rent allowance payments that local authorities make to housing associations and tenants living in private rented accommodation.
- The pot of money available for local authorities is announced in the Government's biennial Spending Review. The formula grant pot has been bolstered by an extra £305m in 2006/07 and £508m in 2007/08, since the Spending Review 2004 announcement.
- AEF increased by 4.5% in 2006/07 (to £62.1bn) and 4.9% in 2007/08 (to £65.8bn). This compares with an increase of 6.2% in 2005/06.
- Formula grant is made up of Net Non-Domestic Rate (NNDR) income, revenue support grant (RSG) and police grant. The annual formula grant increase was 3.8% in 2007/08.

<sup>&</sup>lt;sup>24</sup> HC Deb 11 January 2007 c440-534

- Specific grants are grants that will either be ring-fenced (restrictions on what they can be used for) or targeted (distributed outside the general formula, but without restrictions).
- There has been a large increase in the proportion of funding that is made up by specific grants, from 21% in 2005/06 to 66% in 2006/07 and 67% in 2007/08.
- Ring fenced grants account for 53% of AEF in 2006/07 and 54% in 2007/08. In 2005/06 this was only 5%. This is mainly due to the introduction of the Dedicated Schools Grant (DSG).
- If the DSG is excluded, the ring fenced grants account for 11% of AEF in both 2006/07and 2007/08.
- The amount of money allocated through the DSG in 2007/08 will be £28.1bn, a 6% increase on 2006/07.

The appended table 1 shows the amount of money provided by Government to local authorities since 1993/94. The proportion of local authorities revenue expenditure financed by the Government has fallen from 80% in the mid-90s to 76% in 2006/07.

Readers may also find the following documents useful:

Local Government Finance Report 2006/07 http://www.local.odpm.gov.uk/finance/0607/lgfr067s/index.htm

A guide to the Local Government Financial Settlement http://www.local.odpm.gov.uk/finance/0607/simpguid.pdf

## B. The Lyons inquiry

A series of reports have considered the question of reforming the financing of local government. Sir Michael Lyons is currently conducting an inquiry into this topic, at the invitation of the Government. Further information is given in Library Standard Note no 3230 *The Lyons Inquiry.* 

Sir Michael Lyons published his first interim report on 15 December 2005 and simultaneously launched a consultation exercise on the future role of local government. The report was in two parts: a consultation document on the role and functions of local authorities and a section outlining the Inquiry's work to date on local government funding. Two important conclusions reached by the Inquiry were that:-

- Well-founded recommendations on possible reforms to the funding of local government need to be based on a clear understanding of the expectations and responsibilities of local government;
- To be successful, the public must be able to understand any package of funding reforms in the context of what local government does i.e. they will want to understand what they are paying for and why (research for the Inquiry had revealed a weak

public understanding of how local government is funded, and also some confusion over its responsibilities).

The report notes that research on international comparisons indicates the UK to be distinctive in terms of: (1) the low proportion of revenues raised locally (2) its reliance on a single local tax (3) the high level of equalisation between areas of different tax-raising power and (4) its breadth of ambition for national standards in public services.

The report describes the system of equalisation whereby higher grants are provided to those areas which have greater needs, higher costs and a lesser capacity to raise money through council tax. It concludes that the English system is one of the most complex in the world and seeks to achieve a very high level of quality in services against a background of significant variation in needs and resources around the country.

Sir Michael Lyons published a second interim report entitled *National prosperity, local choice and civic engagement* on 8 May 2006.<sup>25</sup>

The second interim report found that the scale and complexity of national targets and inspection require the vast majority of local government's resources to be used to deliver nationally defined priorities. This can 'crowd out' local action to meet local needs and priorities. Councils tend to focus their attention and efforts on influencing central government grant decisions rather than engaging with local people. If local discretion is overly constrained by national requirements then public services and priorities cannot reflect local preferences fully, leading to a less efficient use of public resources than would otherwise be the case. The executive summary referred to the shaping of local government as follows:

**E.19** My description of place-shaping reflects my view that the ultimate purpose of local government should be to take responsibility for the well-being of an area and its communities, reflecting its distinctive identity, and promoting its interests and future prosperity. It involves a focus on developing the economic, social and environmental well-being of the local community and the local area. It therefore requires councils to take responsibility for influencing and affecting things beyond their more narrowly defined service responsibilities.

#### Economic well-being

**E.20** Local authorities have an important role in enabling economic development. Economic prosperity, jobs and investment make an essential contribution to the wellbeing of individuals and the vitality of a community. They also contribute to the growth of the national economy, and local government's role in developing economic wellbeing is therefore potentially key to the broader national economic agenda. The distinctiveness of place is also important in attracting skills and investment. This role can be especially profound in times of stress or change within a locality, when place-shaping can involve a redefinition or evolution of identity and purpose.

**E.21** I am glad to see that there is now a live debate about the economic role of local authorities. Much of it is focused on urban issues and the cities, although addressing issues of economic well-being is clearly also important in rural areas. There is a

<sup>&</sup>lt;sup>25</sup> Lyons Inquiry into Local Government, National prosperity, local choice and civic engagement: a new partnership between central and local government for the 21<sup>st</sup> century, 8 May 2006, http://www.lyonsinquiry.org.uk/index.php?leftbar=pubs

growing consensus that local authorities do not currently have enough powers and tools at their disposal to enable them to make a real difference to local prosperity.

**E.22** Key areas of debate about the powers and influence of councils in relation to economic development include:

the funding of infrastructure projects, particularly transport projects;

how best to secure effective engagement between local authorities and business;

whether city regions or other structures are needed to enable economic development activity to take place at the appropriate spatial level, since it often overlaps the boundaries of individual authorities; and

the role of local authorities in transport and skills investment.

#### Social well-being

**E.23** Local government's role in developing social well-being involves ensuring the effective delivery of a wide range of services, including those it is directly responsible for such as social care, and those in which it plays a convening role, such as policing and health care.

**E.24** Local government is also ideally placed to support the development of social capital, social innovation and community cohesion. These is evidence that these can be associated with better health, happiness, trust and educational outcomes, and become more prominent in relation to debates about diversity and an increasingly mobile population. Additionally, local authorities have a role in the regulation of behaviour, for example through the effective regulation of licensed activities, and developing anti-social behaviour measures.

**E.25** Local government's role in promoting social capital and community cohesion brings with it associated challenges. There is a crucial role for local government in recognising different interests, revealing conflicts, exploring who gains and who loses and offering a platform for different voices.

**E.26** To enable local government to promote social well-being, councils need the flexibility and responsibility to address these challenges, and the authority to carry out a convening role across public services.

#### **Environmental well-being**

**E.27** Environmental issues lie at the heart of how people feel about place. Many are very local and have a significant impact on citizen satisfaction. Where these factors affect the local level almost exclusively, there is a strong case that they should be subject solely to local control and discretion.

**E.28** Environmental well-being also involves important strategic place-shaping issues, for example finding a balance between preserving local identity, supporting economic prosperity and maintaining the local environment. The quality of the local environment can be key to the success of an area's economy, particularly in rural areas, and planning powers give local government a particular responsibility and significant powers in environmental place-shaping.

**E.29** However, some local environmental issues are part of larger-scale issues, such as climate change and sustainable development. Local government has an important role to play in contributing local solutions to meeting national objectives. Local government's closeness to citizens also enables it to influence individuals, attitudes and behaviour, and to encourage them to take an active part in providing solutions through 'co-production'.

Sir Michael is now expected to publish his final report in March 2007. The white paper and the *Local Government and Public Involvement in Health Bill*, introduced to the Commons on 12 December 2006, takes up the issue of place-shaping in greater detail (see below).

## C. Local Strategic Partnerships and Local Area Agreements

The Government has adopted a series of policies designed to promote local well-being. Local strategic partnerships (LSPs) are non-statutory bodies, bringing together a partnership of local organisations, whether public, voluntary or private. The *Local Government Act 2000* gave local authorities a new power to promote or improve the economic, social and environmental well-being of their area and responsibility to draw up a Community Strategy for that area. Over 360 LSPs currently operate in England.

The ideas behind sustainable communities have been reflected to some extent in Government thinking, notably in Local Area Agreements (LAAs) which were launched in 2004 and were subsequently piloted on an increasingly extensive scale. They aim to join up public service delivery at the local level by bringing together the "...myriad of separate pots of funding from various Whitehall departments" currently being channelled through different public bodies to the same local populations. LAAs offer councils and their local delivery partners much greater spending freedom in delivering services within certain key areas of public policy. The birth and development of LAAs is discussed in detail in Library Research Paper 07/01 *The Local Government and Public Involvement of Health Bill.* 

The Local Government Association has consistently championed the concept of LAAs, welcoming each stage in their piloting and supporting calls for their extension into other areas of public policy.<sup>26</sup>

### D. The white paper 2006 and sustainable communities

The local government white paper, entitled *Strong and prosperous communities* (Cm 6939), was published on 26 October 2006 and is available on the website of the Department for Communities and Local Government.<sup>27</sup> Chapter 5 makes proposals for LAAs and LSPs and their related Sustainable Community Strategies as follows:

#### 5.11 We will:

#### $\otimes$ reinforce the strategic leadership role of local government by:

- placing a duty on local authorities to prepare the LAA, in consultation

with others as already is the case with the Sustainable Community Strategy;

- making clear our expectation that local authority leaders will play a leading

role on LSPs - with an opportunity to agree the chair of the LSP; and

 making clear that we expect local authority executive portfolio holders to play a key role on relevant thematic partnerships;

#### **∀** strengthen local partnership working by:

 placing a duty on the local authority and named partners to co-operate with each other to agree targets in the LAA; and

 making clear that the Sustainable Community Strategy and other local and regional plans should have regard to each other;

#### $\, {\,\,\otimes\,}\,$ put partnership working at the heart of local service delivery by:

 placing a duty on relevant named partners to have regard to relevant targets agreed between the Government and local partners in LAAs;

<sup>&</sup>lt;sup>26</sup> See, for example, "LGA calls for health and care money to be merged via local area agreements", *LGA press release 144/05*, 19 October 2005

<sup>&</sup>lt;sup>27</sup> <u>http://www.communities.gov.uk/index.asp?id=1503999</u>

- bringing more area-based funding streams into the LAAs to further improve the efficiency and delivery of outcomes;

- removing the 4-funding block structure from LAAs (to be negotiated through 4 'themes'); and

- clarifying the role of district councils;

# $\otimes$ strengthen and simplify local arrangements for delivering responsive services and involving local people by:

 streamlining procedures for involving communities in the creation of Sustainable Community Strategies, LAAs and Local Development Frameworks (LDFs);

- improving and integrating strategic planning procedures; and

 setting out the key principles of strategic commissioning and incentivising local authorities to focus on secure service outcomes in new and imaginative ways.

**5.12** To underpin these reforms, we will issue one, new, streamlined piece of guidance on the place-shaping role, replacing existing statutory and non-statutory guidance.

The white paper sets out the Government's view that LAAs should be the 'delivery plan' for the sustainable community strategy (p 102) and the latter is to be 'at the heart' of what local authorities do through the new performance framework (p 20). An authority's principal improvement targets are to be negotiated within its LAA. Some 35 of these targets will relate to the new national indicator set and an authority and its partners may set additional local priority targets. LAA targets are specific to the locality and are outcome-based so that, while central government is interested in what is delivered, it is up to local partners to decide how to do it.

One of the other policy proposals in the white paper is for the Government to work closely with local authorities which are developing **Multi Area Agreements** (MAAs). MAAs use the framework and principles of Local Area Agreements (LAAs) but facilitate cross-border working and collaboration at sub-regional level particularly on economic development issues. It is expected that their development will be voluntary. Further detail on the translation of these proposals into legislative form in the *Local Government and Public Involvement in Health Bill* is given in Library Research Paper 07/01.

There are other proposals in the white paper and *Local Government and Public Involvement in Health Bill* which relate to the topic of sustainable communities as follows:

- A new form of local improvement targets for local authorities, defined in **clause 80** of the bill as "a target for improvement in the economic, social or environmental wellbeing of the responsible local authority's area". Some of these targets will be designated by the Secretary of State since they relate to national targets, others will be developed as part of the LAA process.
- New community empowerment mechanisms, such as the Community Call for Action, where councilors will respond to concerns expressed by local residents. **Clause 92** inserts a new section 21A into the *Local Government Act 2000* requiring an authority to ensure that its overview and scrutiny (O/S) arrangements provide for any member of the authority to refer a matter to the relevant O/S committee. **Clause 166** provides that an authority can make arrangements for an individual councillor to exercise functions of the authority in relation to his/her ward. Councillors may thus be empowered to sort out persistent minor problems themselves as part of the CCfA process

- A number of neighbourhood management and community management and ownership of assets initiatives are described in the white paper and non-statutory encouragement is to be given to broadening these developments
- Devolving the power to create new parish or community councils to district and unitary authorities and removing the bar to their creation in London. A principal council may at any time undertake a community governance (CG) review and *must* undertake such a review on receipt of a valid CG petition (clause 58). Clauses 68 to 70 specify the duties of an authority when undertaking a review. These include requirements for consultation and for taking account of representations made; a requirement to have regard to the need to secure community governance that is effective and convenient and that reflects community identity;

The pressure group Local Works has produced a briefing paper which compares the Sustainable Communities Bill with the proposals in the local government white paper. Local Works argue that the white paper will not implement a sustainable community policy for the following main reasons:

(ii) The SCB requires that the policies in that government action plan are driven 'from the bottom up' and are not top down. The White Paper does not deliver or promise that for two reasons;

There is no Government action plan to reverse [Ghost Town Britain] GTB in the White Paper so there cannot be a plan driven from the bottom-up or from the top down or from anywhere else.

Although the White Paper does give citizens and communities extra rights as regards their local authorities, it does not give them, or their local authorities, any extra rights of influence as regards government policies and actions. It is the power to influence Government actions and policies in its action plan to reverse GTB that is at the heart of the SCB.

(iii) The SCB requires government departments and agencies, as part of that process, to provide local authorities with details of their spending on **local** issues, so that decisions regarding that spending can be transferred to local authorities, who will then have to consider ending GTB as part of that process. There is nothing remotely like that in the White Paper – but it is totally in accord with the sentiments in many statements made by cabinet ministers, from the PM and Ruth Kelly and others.<sup>28</sup>

To support its comments, the briefing quotes the Chancellor of the Exchequer, Gordon Brown, as follows:

'And I tell you: just as in the last century governments had to take power from vested interests in the interests of communities, in the new century people and communities should now take power from the state ... a reinvention of the way we govern: the active citizen, the empowered community ... local councils, not Whitehall, should have more power over the things that matter to their community ... the empowerment and strengthening of local councils and local communities is what we must now do.' *The Chancellor, Rt Hon Gordon Brown, Building 21st century public services: putting people first, Tuesday 6th June 2006.* 

<sup>&</sup>lt;sup>28</sup> "The Sustainable Communities Bill & and the Local Government White Paper: White Paper or Red Herring; like comparing apples and pears" December 2006 *Local Works* 

The briefing suggests that it is possible to support both the white paper and the Sustainable Communities Bill, since they deal with different issues.

## **IV** Sustainability: Environmental indicators

Several of the indicators set out in the Bill's Schedule are measures of environmental sustainability. They include local procurement of products, organic food production, energy efficiency and micro-generation, congestion reduction, greenhouse gas emissions and local recycling of waste. These topics are dealt with below.

### A. Procurement

Each year councils in England spend almost £40 billion of public money externally, which represents about half of local government's overall expenditure.<sup>29</sup> There therefore exists significant opportunity for councils, through a sustainable procurement policy, to limit environmental impacts. However, though there is a serious drive (since 2004) through the Government's efficiency agenda to reduce costs, this has not specifically focused on sustainable procurement. More recently the Government has put together a Sustainable Procurement Task Force which has produced a National Action Plan, published in June 2006, for how procurement at national and local government level can be made more sustainable.<sup>30</sup>

Many councils are already making progress on this issue. Camden Council was the first to appoint a dedicated sustainable procurement officer. Aberdeen City Council has had a sustainable procurement policy in place for four years. Northumberland County Council has recently set itself a target of shifting 10% of its £245 million procurement spending to local sources within 3 years.<sup>31</sup>

The law on public procurement is set out in the EU procurement Directives and the Regulations which implement them in the UK.<sup>32</sup> The Directives set out the rules which must be followed when the value of the goods or services to be procured exceeds certain thresholds. Contracts which are covered by the Regulations must be advertised in the Official Journal of the European Union. The Regulations were revised with effect from 31 January 2006. The revised regulations provide clarification on social and environmental issues. Further information on the EU procurement rules is available on the Office of Government Commerce website.<sup>33</sup> The rules are based on the principle of non-discrimination and therefore aim to promote the single market and competition. Even in cases not covered by the Regulations, the principles of non-discrimination, equal treatment,

<sup>&</sup>lt;sup>29</sup> ODPM, National Procurement Strategy for Local Government, October 2003

http://www.communities.gov.uk/pub/723/NationalProcurementStrategyforLocalGovernmentinEngland\_id1136723.

<sup>&</sup>lt;sup>30</sup> <u>http://www.sustainable-development.gov.uk/government/task-forces/procurement/index.htm</u>

<sup>&</sup>lt;sup>31</sup> Sustainable Procurement Task Force, Case Study: Northumberland County Council

http://www.sustainable-development.gov.uk/what/documents/northumberland-county-council1.pdf

<sup>&</sup>lt;sup>32</sup> The Public Contracts Regulations 2006 SI 2006/5 and The Utilities Contracts Regulations 2006 SI 2006/6

<sup>&</sup>lt;sup>33</sup> <u>http://www.ogc.gov.uk/documents/Intro\_to\_EU.pdf</u>

transparency and mutual recognition still apply. Measures taken under the provisions of this Bill would need to be consistent with these requirements.

The use of procurement to further economic and social objectives was raised in a Lords PQ:

Lord Ouseley asked Her Majesty's Government:

Whether they have any information on what each contracting authority is doing to achieve community cohesion and social inclusion through its procurement policies and practices; and, if so, whether they will make this information public. [HL4566]

Lord McKenzie of Luton: It is for each contracting authority to decide how it will achieve social inclusion and community cohesion through its procurement policies and procedures, taking into account the relevance of these factors to the particular contract, the Government's value for money policy, the EU procurement rules and its own objectives.

The Treasury does not hold information on other contracting authorities' work on achieving community cohesion and social inclusion through procurement.

Public procurement is often seen as a way to advance economic, social and environmental policy objectives. The Office of Government Commerce is working with a range of departments across government, providing advice and guidance on how to incorporate these policy objectives into the procurement process in a way that is consistent with the legal and policy framework governing public procurement. In particular, OGC has recently published a note on social issues in purchasing that provides guidance on how a range of social issues can be taken into account in the procurement process.

The National Procurement Strategy for Local Government, produced by the Office of the Deputy Prime Minister (ODPM), includes strategic objectives for stimulating markets and achieving community benefits through procurement.<sup>34</sup>

The OGC's guidance note, *Social issues in purchasing* is available on its website.<sup>35</sup> Information on the National Procurement Strategy for Local Government is available on the Department for Communities' website.<sup>36</sup>

The Sustainable Communities Bill requires the Secretary of State, when preparing an action plan, to have regard to the procurement of local products and services by public authorities (**Clause 2 (4) (a)** and the Schedule). It proposes an indicator that measures the amount of products procured within a 30 mile radius of a public body boundary. Whilst increasing the number of goods thus produced would have benefits for the local economy and result in a reduction of greenhouse gas emissions, any attempt to achieve this would have to comply with EU public procurement rules. These do not allow for contractors to be discriminated against for the distance their goods travel. However, it is possible to achieve an in increase in local suppliers through other means, for example by specifying increased frequency of

<sup>&</sup>lt;sup>34</sup> HL Deb 16 March 2006 cc256-7WA

<sup>&</sup>lt;sup>35</sup> <u>http://www.ogc.gov.uk/documents/Social\_Issues\_in\_Purchasing.pdf</u>

<sup>&</sup>lt;sup>36</sup> http://www.communities.gov.uk/index.asp?id=1136697

deliveries, or setting other tender conditions which are more easily met by smaller local companies.

## B. Food Miles

Concern about the environmental implications of food sourcing policies is relatively recent. For more than a century the UK has consumed some items brought from distant countries, even though they could be grown at home. Tall mast sailing ships brought tea from China and grain from Australia, while steamships brought meat from Australia, New Zealand and Argentina. In addition, the London market inevitably attracted produce from a wide range of UK sources accessible by train.

In recent years, food consumption patterns have moved away from local, seasonal produce towards the provision of a constant supply of items sourced from all over the world. This becomes important in view of the need to reduce UK carbon emissions dramatically. A report by the National Consumer Council in 2006 highlighted the importance of this pattern:

Food is now transported further than ever before – both in the UK and around the world. From 1980 to 2000 the amount of food we import trebled, and food is sourced from around the world in any season. But the greater choice and variety that this gives us comes with a downside. Transport emissions from 'food miles' provide a significant and growing contribution to global warming. Road freight accounts for the majority (65 per cent) of  $CO_2$  emissions and contribute to increased congestion, noise, accidents and deterioration of air quality. 'Food miles' from airfreight have the highest relative greenhouse gas emissions. These account for about one per cent of food miles, but ten per cent of food transport  $CO_2$  emissions. By our calculations, the  $CO_2$  contribution from air-freighting just one small 225g punnet of New Zealand strawberries is equivalent to the CO2 emissions from eleven school runs in the car. According to the Food and Climate Research Network, the best possible consumer response is to opt for more in-season UK produce, which cuts out the bulk of the greenhouse gas emissions associated with long distance food transport.<sup>37</sup>

In 2006 Defra published a sustainability strategy for the food industry, partly based on a study by AEA Technology, whose key findings included:

• "Food miles" are significant and growing. They accounted for 33 billion vehicle kilometres in 2002, of which 82% occurred in the UK. Air freight of food accounts for only 0.1% of the vehicle kilometres and 1% of the food miles tonne kilometres. "Food miles" are a significant source of  $CO_2$  emissions. They gave rise to around 20 million tonnes of  $CO_2$  emissions in 2002, of which 10 million tonnes were emitted in the UK and the remainder overseas. They account for 1.8% of the total annual UK  $CO_2$  emissions.

• The environmental, social and economic costs of "food miles" are very large. The external costs of greenhouse gas emissions, air pollution, noise, congestion, accidents and infrastructure associated with food miles are estimated at just over £9 billion pounds each year, though considerable uncertainty is attached to this value.

<sup>&</sup>lt;sup>37</sup> Sue Dibb, *Greening supermarkets*, National Consumer Council, 2006 <u>http://www.ncc.org.uk/responsibleconsumption/greening-supermarkets.pdf</u>

• The relationship between the distance travelled by food and the associated external costs is often extremely weak. For example...well over 50% of the total external costs associated with the transportation of food arise from domestic congestion. By contrast, the transportation of imported agricultural produce by sea accounts for only a fraction of total external costs.<sup>38</sup>

Farmers and growers would also welcome an increase in sales of produce that are in season.

#### 1. Organic Food

The Government supports organic farming through a scheme called Organic Entry Level Stewardship (OELS) operating under the EU Common Agricultural Policy. The Defra website includes the following points about OELS:

- The aim is to encourage a large number of organic farmers across a wide area of farmland to deliver simple yet effective environmental management.
- The land to be entered into the scheme must be farmed organically and registered with an approved Organic Inspection Body before an application to OELS is made.
- Is a voluntary, non-competitive scheme.
- Payment of £60 per hectare, per year on land registered with an Organic Inspection Body.
- Aid for converting conventionally farmed improved land and established topfruit orchards (planted with pears, plums, cherries and apples, excluding cider apples) is also available as a top-up to OELS payments. Payment rates are £175 per hectare per year for two years for improved land and £600 per hectare per year for three years for established top fruit orchards.
- Five year agreements with payments sent out every six months.<sup>39</sup>

Nevertheless, some farmers have found that organic farming has not produced adequate returns. In addition, the increased demand for organic produce – particularly in supermarkets - has been partly met by imports. A Soil Association survey in 2005 looked at eight items of stale organic vegetables and meat. They found that three quarters were supplied from UK farms but expressed concern about imports of organic pork and beef. A further problem was that supermarkets dislike selling apples with blemishes and prefer to import unblemished apples from hotter countries rather than sourcing locally.<sup>40</sup>

## C. Energy

From April 2006 the Government's Low Carbon Buildings Programme (LCBP) has provided grants for the installation of micro-generation technology. The LCBP succeeds both the Major Demonstration PV programme and the Clear Skies initiative which ended in March 2006. Following consultation, funding of £30 million over three years starting in April 2006

http://www.defra.gov.uk/farm/policy/sustain/fiss/pdf/fiss2006.pdf <sup>39</sup> http://www.defra.gov.uk/erdp/schemes/oels/default.htm

<sup>&</sup>lt;sup>38</sup> Defra, *Food Industry Sustainability Strategy*, 2006

<sup>&</sup>lt;sup>40</sup> http://www.soilassociation.org/supermarketsurvey

was announced for grants from the LCBP for domestic installations. In Budget 2006 a further £50m was allocated to the LCBP.

The Parliamentary Under-Secretary of State at the DTI, Lord Sainsbury, outlined in a written answer the steps taken to encourage micro-generation development. The Government has:

- provided £41 million of support for solar power projects and £12.5 million of support for household and community renewables projects through the ClearSkies Initiative;
- committed a further £30 million to fund the Low-Carbon Buildings Capital Grant Programme, which will take over from Clear Skies and the Major PV Demonstration Programme in April;
- ensured that most micro-generation technologies benefit from a 5 per cent. VAT level;
- and amended the Renewables Obligation Order to make it easier for smaller generators to claim renewable obligation certificates.

We are also supporting the Climate Change and Sustainable Energy Bill, which contains several measures to assist the development of micro-generation. Future steps we will be taking to encourage the development of micro-generation will be outlined in our strategy for the promotion of micro-generation, which will be published by the beginning of April.<sup>41</sup>

Many councils are already taking significant measures to reduce greenhouse gas emissions. Over half of local authorities have so far signed the voluntary Nottingham Declaration pledging to reduce carbon emissions. Woking Council has long been a leader in cutting carbon emissions and has reduced emissions from council buildings by 82%, and sources 93% of its electrical and thermal energy requirements for its buildings from local sustainable sources. Aberdeen Council now powers all the city lights and all its premises with renewable energy. Southampton City Council and North Yorkshire County Council both employ a full time climate change officer. Merton Council introduced a rule which requires any new commercial development of over 1000m<sup>3</sup> to meet 10% of its energy need using onsite renewables. This rule has now been written into the Greater London Authority's London Plan, is now Government policy and has been adopted by 18 further councils, with 73 more proposing to do the same shortly.<sup>42</sup>

## D. Recycling

Local authorities currently have recycling targets set by central government with the aim of meeting the requirements of the EU Landfill Directive which sets the following requirements:

- By 2010 to reduce biodegradable municipal waste landfilled to 75% of that produced in 1995
- By 2013 to reduce biodegradable municipal waste landfilled to 50% of that produced in 1995

<sup>&</sup>lt;sup>41</sup> HL Deb 8 March 2006 c WA134

<sup>&</sup>lt;sup>42</sup> *The Guardian,* 'Leading By Example', 7 January 2007

• By 2020 to reduce biodegradable municipal waste landfilled to 35% of that produced in 1995

With the aim of achieving this, the Waste Strategy 2000 set a national target of recycling or composting of at least:

- 25% of household waste by 2005
- 30% of household waste by 2010
- 33% of household waste by 2015.

This strategy supports the concept of the waste hierarchy whereby waste minimisation and re-use are to be favoured in most cases above straight disposal in landfill or incineration. Thus, policies such as the landfill tax and producer responsibility are designed to encourage recycling.

The 2005 target of 25% has been met, and the Government announced that there was a further increase in household recycling and composting (to 26.7 per cent) in England in 2005/06; a decrease in the amount of municipal waste sent to landfill by 1.9 million tonnes to 17.9 million tonnes; and a 3 per cent decrease in total municipal waste collected in 2005/6, reducing from 29.6m tonnes to 28.7m tonnes.<sup>43</sup>

However, a great deal more could be done. Germany recycles 57% of its waste; Netherlands recycles 64%; and Denmark 41%.<sup>44</sup> Some English local authorities are already reaching these levels. North Kesteven District Council recycled 48.4% of its municipal waste in 2005/06, with 19 councils out of 397 recycling over 40%. However there is significant room for improvement as 95 councils currently recycle less than 20% of their municipal waste, with some city councils such as Newham, Tower Hamlets and Havering achieving rates of only 4.7%, 7% and 7.6% respectively.<sup>45</sup>

## V The Sustainable Communities Bill

## A. Previous Bills in Parliament

### 1. 2001-05 Parliament

Sue Doughty, the then Liberal Democrat MP for Guildford, supported by Liberal Democrats Don Foster, Patsy Calton, Vincent Cable and Paul Holmes, Labour MPs Alan Simpson, Joan Walley, Jane Griffiths, Harold Best and Alice Mahon, and Plaid Cymru's Simon Thomas introduced a *Local Sustainability Bill* into the House of Commons on 23 July 2002. This was a Private Member's Bill introduced under Standing Order 57. It was printed as Bill 188 session 2001-02 but made no further progress, the order for second reading lapsing at

http://www.defra.gov.uk/environment/statistics/wastats/bulletin.htm

http://www.gnn.gov.uk/content/detail.asp?ReleaseID=169775&NewsAreaID=142&NavigatedFromSearch=True <sup>45</sup> DEFRA, *Local Authority Municipal Waste Statistics,* November 2006

<sup>&</sup>lt;sup>43</sup> DEFRA, *Municipal Waste Statistics 2004/05*, November 2006

<sup>&</sup>lt;sup>44</sup> DEFRA, New Figures Reveal Surge In Recycling, 12 September 2005

http://www.defra.gov.uk/environment/statistics/wastats/archive/mwb200506a.xls

Prorogation. However, an early day motion – *EDM 1711* – tabled on 24 July 2002, was signed by 70 Members. It read:-

That this House welcomes the Local Sustainability Bill introduced by the honourable Member for Guildford on 23rd July with cross-party support; notes that the Bill requires central government to assist local and regional authorities to play a more pro-active role, in accordance with strategies drawn up by them, regarding the promotion of local economic activity, measures for protecting the environment, social justice and political involvement in their areas; notes that this concept is fully in accordance with the Government's modernising local government agenda to give local authorities greater freedom of action; and therefore looks forward to this Bill becoming law in the next session of Parliament.

In the next parliamentary session, Sue Doughty, supported by Liberal Democrats Vincent Cable, Patsy Calton, Don Foster, Paul Holmes, Labour MPs Helen Clark, David Drew, Alan Simpson, Joan Walley, and Conservative MP Gregory Barker, introduced the *Local Communities Sustainability Bill 2002-03* on 12 March 2003. This was printed as Bill 71 but made no further progress and was dropped. However, *EDM 881*, which welcomed the Bill, was tabled on the same day and received cross-party support (193 signatures). It read as follows:-

That this House welcomes the Local Communities Sustainability Bill introduced by a cross-party group of honourable Members on 12th March; notes that the Bill requires the Secretary of State, the National Assembly for Wales and the Greater London Authority, in conjunction with local authorities and local communities, to draw up and implement strategies to promote local services and local economic activity, measures for protecting the environment, social justice and greater political involvement; notes too that the Bill specifies the functions of local authorities and local electors in a way that gives local authorities greater freedom of action; and therefore supports the objects of the Bill.

On 1 December 2003, substantially the same motion as EDM 881 was tabled as **EDM 169**.and was signed by 237 Members. On 21 January 2004, Sue Doughty introduced the **Sustainable Communities Bill 2003-04**. The extract from Hansard read as follows:-

Sue Doughty presented a Bill to require the drawing up and implementation of a strategy to promote sustainability among local communities; to make provision for the inclusion of targets and indicators in the strategy; to make provision for councils to implement the strategy in their area; to make provision in respect of the powers of electors in relation to the implementation of the strategy; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 23 April, and to be printed [Bill 40].<sup>46</sup>

The Bill was not printed and made no further progress.

<sup>&</sup>lt;sup>46</sup> HC Deb 21 January 2004, c1325

#### 2. 2005- Parliament

On 20 July 2005 Julia Goldsworthy, the Liberal Democrat MP for Falmouth and Camborne, supported by Labour MPs Alan Simpson and David Drew, Elfyn Llwyd (PC), Peter Ainsworth (Con) and Matthew Taylor (Lib Dem) tabled *EDM 641* which read as follows:-

That this House welcomes the Sustainable Communities Bill introduced into the House before the General Election and supported by over 200 honourable Members; notes that the bill requires the Secretary of State for Environment, Food and Rural Affairs and the National Assembly for Wales, in conjunction with local authorities and local communities, to draw up and implement strategies to promote local services and local economic activity and measures for protecting the environment, social justice and greater political involvement; further notes that the bill specifically enables councils and communities significantly to influence Government policy and actions on these issues; further notes too that this philosophy is in accord with the idea of localism being espoused by many honourable Members; and therefore hopes that the bill will be re-introduced in this Parliament.

As at the end of session 2005-6 EDM 641 had attracted 363 signatures.

On 24 May 2006, Julia Goldsworthy, presented the *Sustainable Communities Bill 2005-06*. The extract from Hansard read as follows:-

Julia Goldsworthy, supported by Mr. David Drew, Gregory Barker, Mr. Elfyn Llwyd, Chris Huhne, Alan Simpson, Mr. Henry Bellingham, Andrew Stunell, Mr. Douglas Carswell, Jeremy Corbyn, Tim Farron and Mr. Dan Rogerson, presented a Bill to make provision for local authorities to submit plans to the Secretary of State in connection with promoting the sustainability of local communities; to provide for parish councils and other persons to participate in the formulation of such plans; to provide for the Secretary of State to assist local authorities in promoting sustainable communities; to specify the indicators by which the sustainability of local authorities may be measured; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 16 June, and to be printed. [Bill 187].

The Bill did not make progress and lapsed at the end of the session in November 2006.

The Conservative Party leader, David Cameron, published a Sustainable Communities bill in November 2006:

Publishing a new Sustainable Communities Bill, which has been drafted in conjunction with Local Works - the campaign for stronger local democracy - the Conservative Leader declared: "Councils should be the collective instrument of local people rather than the local outposts of central government". He said: "Conservatives will give greater powers to local councils, by reducing the reach of Whitehall, unelected quangos, and the new regional bodies". Mr Cameron added: "We will also give councils greater control over the spending of money. Conservatives will back the Sustainable Communities Bill, which requires central government to make it clear how much money it spends on local services in each area, and gives councils and communities a far greater say in how this money is spent. Such a measure would significantly alter the balance of power in favour of local councils and local communities." He stated: "It is by permitting local communities to develop their own priorities and their own innovations that we will produce a far higher general standard.

I want central government to show more humility about what it can achieve, and local communities to be more ambitious."<sup>47</sup>

This bill differed from earlier ones promoted by Local Works, in that it introduced the concept of "Local Communities Accounts". Under this process, a local authority may request an account from the Secretary of State to cover the cost of relevant local authority expenditure. In effect, there would be an annual statement of all the public money available within an area, leading to the phasing-out of ring-fenced grants However, money for delivering national priorities would not be included within the new scheme.

Shadow Communities and Local Government Secretary of State, Caroline Spelman, published at the same time a pamphlet entitled *The Permissive State: How to achieve local social responsibility* which contains further detail on the proposed bill.<sup>48</sup>

### B. The Sustainable Communities Bill 2006-07

Nick Hurd came top of the Private Members' Ballot and immediately announced that he would introduce the Sustainable Communities Bill on 23 November 2006. His decision was welcomed by Local Works.<sup>49</sup> An EDM (no 468 of 2006-7) sponsored by the Labour and Cooperative Party Member, David Drew, welcomed the cross-party approach adopted by Mr Hurd as follows:

That this House takes note of the Sustainable Communities Bill introduced into the House in the last session and supported by 363 hon. Members and now adopted as a Ballot Bill by the hon. Member for Ruislip-Northwood; welcomes the cross-party approach being adopted by him, especially his decision that his list of sponsors should reflect the balance of hon. Members in the House by including seven Labour hon. Members, four Conservative hon. Members and one Liberal Democrat hon. Member: notes that the Bill requires the Secretary of State, in conjunction with local authorities and local communities, to draw up and implement an action plan to promote local services and local economic activity and measures for protecting the environment, social justice and greater political involvement; notes that the Bill specifically enables councils and communities to influence Government policy and actions on these issues and on the spending of monies allocated for local issues; notes too that the mechanisms in the Bill are in accord with the idea of community empowerment espoused by many hon. Members and Ministers including the Prime Minister; and therefore calls on the Government to support the Bill so that it can become law in this session.

The overall purpose of the Bill is to require central Government to assist councils in reversing the decline of local communities and promoting local sustainability. The Bill is designed to ensure that this process occurs from the 'bottom up'. To this end, Local Works has produced a step by step guide to achieving this. There would be a legal presumption in

<sup>&</sup>lt;sup>47</sup> "New bill to transfer power from central Government to local communities" 6 November 2006 *Conservative Party* website at

<sup>&</sup>lt;u>http://www.conservatives.com/tile.do?def=news.story.page&obj\_id=133382</u> The text of the bill is available at <u>http://www.conservatives.com/pdf/sustainablecommunitiesbill.pdf</u>

<sup>&</sup>lt;sup>48</sup> <u>http://www.conservatives.com/pdf/thepermissivestate.pdf</u>

<sup>&</sup>lt;sup>49</sup> "No 1 MP agrees to take up sustainable communities bill" 23 November 2006 *Local Works* website at <u>http://www.localworks.org/</u>

favour of including the local community's ideas within a local authority's spending plan and representations to Government to create an action plan for promoting sustainable communities. Special action is required to fund the participation process, so that there is access to democracy for all citizens. There are three important caveats to the bottom-up process of engagement:

- Cost- where the cost of undertaking a policy would be out of all proportion to the benefit
- Incompatibility where the participation process results in policies which are mutually incompatible
- National policy where there are national issues on which the Government must decide and these would be significantly and measurably hampered by the policy proposal.

The question of defining local and national priorities is likely to generate debate. Local Works argues that the Secretary of State is required to take a 'reasonable' decision which would receive parliamentary scrutiny by means of an order subject to the affirmative resolution procedure. The intention behind the Bill is to allow local communities to decide on local priorities, which would involve significant sums of money, including access to budget streams such as New Deal, Supporting People, Sustainable Community Fund, and job promotion activities.

#### 1. Duty to promote sustainability

**Clause 1** is declaratory in tone, stating that "the principal aim of this Act is to promote the sustainability of local communities". **Clause 1(2)** of the Bill sets out how sustainability is to be promoted, without offering a full definition of the term:

"sustainability of local communities" may be promoted by—

(a) protecting or reviving local economic activity, including shops and other commercial concerns, services, employment and locally based industry;
(b) protecting the local environment;
(c) decreasing the number of households affected by social exclusion and poverty;
(d) increasing participation in civic and political activity; and
(e) the prudent use of natural resources.

Clause 1(3) states that it should be the duty of the Secretary of State to assist local authorities and principal councils in promoting the sustainability of local communities.

#### 2. Community action plan produced by Secretary of State

Under **clause 2**, the Secretary of State is required to produce an action plan 'with the objective of promoting the sustainability of local communities' within two years of royal assent of the Act. The action plan will set out the measures which the Secretary of State will undertake to promote sustainability in a ten year programme of action. In preparing the plan, he is required to have regard to measures set out in the Schedule as follows:

The indicators referred to in section 2 are-

- (a) the provision of local services,
- (b) the extent to which the volume and value of goods and services that are-

(i) offered for sale; or

(ii) procured by public bodies

are produced within 30 miles (or any lesser distance as may be specified by a principal council in respect of its area) of their place of sale or of the boundary of the public body,

(c) the rate of increase in the growth and marketing of organic forms of food production and the local food economy,

(d) measures to promote reasonable access by all local people to a supply of food that is adequate in terms of both amount and nutritional value,

(e) the number of local jobs,

(f) measures to conserve energy and increase the quantity of energy supplies which are produced from sustainable sources within a 30 mile radius of the region in which they are consumed,

(g) measures taken to reduce the level of road traffic including, but not restricted to, local public transport provision, measures to promote walking and cycling and measures to decrease the amount of product miles,

(h) the increase in social inclusion, including an increase in involvement in local democracy,

(i) measures to increase mutual aid and other community projects,

(j) measures designed to decrease emissions of greenhouse gases,

(k) measures designed to increase community health and well being,

(I) planning policies which would assist with the purposes of this Act,

and

(m) measures to increase the use of local waste materials for the benefit

of the community.

The Secretary of State is required to solicit and to have regard to valid representations from local authorities. In addition he must include in the plan all measures recommended in valid representations by local authorities, except where such measures are not necessary to promote the sustainability of local communities or are incompatible with other measures. In these cases, he must provide reasons for the rejection. He may revise the plan from time to time and must do so when a majority of local authorities require him to do so. The plan is to be laid before both Houses for approval by affirmative resolution and an annual report is required annually for both Houses on implementation progress.

**Clause 3** requires local authorities to consult the residents of the area before making representations on the action plan. In particular it must make efforts to elicit suggestions from those under 25 years of age, and from relevant parishes or community councils. **Clause 3(6)** requires the local authority to include in its representations measures suggested by residents of its area, provided that the proposals:

(a) would promote the sustainability of local communities,

(b) are reasonably practicable to implement,

(c) do not, in the opinion of the principal council, conflict with another suggestion which would better promote the sustainability of local communities,

(d) would not, in the opinion of the principal council, incur costs which would be disproportionate to the benefits which would be likely to arise from their implementation,

The drafting is designed to ensure that local authorities are required to take notice of suggestions from local inhabitants and that the process of preparing a plan is genuinely 'bottom-up'. **Clause 3(3)** requires the Secretary of State to publish a **community participation report** containing guidance for principal councils (counties, districts, unitary

authorities) on how best to involve local communities and residents in activities related to decisions under the Bill.

Local Works envisage that the action plan might contain elements such as support for local businesses. They use as an example the possibility of promoting the development of local energy supplies, as in Woking.<sup>50</sup> Changes to local planning laws might also assist councils in preserving village pubs, or restricting the growth of second homes. The rural post office network is another area considered suitable for a national action plan. Although many of the examples cited by Local Works are relevant to rural communities, the Bill is also designed to assist urban areas, where there may be concerns about loss of small food shops, local police stations, GPs and post offices.

#### 3. Local community accounts

The Bill is designed to highlight a need to make public spending per local authority area more transparent. Central Government would be required to publish an annual statement of the amount of public money spent in each community and to explain what proportion of that spending was controlled locally. The local area would be given powers to allocate public expenditure in their area, except in areas relating to national priorities.

**Clause 4** allows a local authority to request from the Secretary of State the production of a local communities account within a period of three months, which will exclude amounts "to be spent on services of primarily national significance". The Secretary of State would specify these national services in an order subject to the affirmative resolution, and provide reasons for the designation of each service. Local authority is defined as districts, boroughs (including London boroughs) or unitary authorities in England and Wales in clause 11.

On receipt of a local communities account, **clause 5** allows a local authority to prepare a local spending plan, showing how the authority plan to allocate the relevant spending to services provided for the local community over the plan period. The authority is required to consult its local parishes or community councils and other bodies representing the interests of people connected to the sustainability of local communities before preparing the plan. It must also have regard to the action plan for sustainable communities prepared by the Secretary of State under **clause 2** above.

The local authority must submit its local spending plan to the Secretary of State for approval within three months under **clause 6.** The Secretary of State may make amendments, but only where he "believes it necessary to do so in order to avoid conflicting with government policy or existing spending plans". He is also required to have regard to the action plan for sustainable communities.

**Clause 7** requires the Secretary of State to implement the local spending plan and allocate spending accordingly. He will also be under a duty to consult with other Government

<sup>&</sup>lt;sup>50</sup> See speech by David Miliband, when Secretary of State for Communities and Local Government to the Local Government Association 4 July 2006 For further information about Woking, see Taking Stock Case Study no 2 Woking Borough Council Energy Services at <u>http://www.takingstock.org/Downloads/Case Study 2-Woking.pdf</u>

departments or agencies which have responsibility for aspects of the local spending plans in order to discuss the co-ordinated allocation of resources. The Secretary of State must monitor the allocation of relevant spending by government departments or agencies and consider whether the local spending plans are being properly implemented. He is required to produce an annual report to Parliament on the implementation of local spending plans. He is given power to direct a government department or agency to modify their allocations, if he thinks that they are not allocating spending according to the plan.

The Secretary of State may under **clause 8** revise a local spending plan when necessary to do so to reflect anticipated relevant spending in the plan period. He is required to revise a local communities account within six months of any new Comprehensive Spending Plan.

#### 4. Commencement and extent

**Clauses 9-12** deal with allocation of money, commencement and extent. The Bill is applied to matters devolved to Wales by substituting the National Assembly for Wales for the Secretary of State in **clause 9**, and to Northern Ireland under **clause 10**, but only until the restoration of devolution. **Clause 13** applies the Bill to Scotland and Northern Ireland only in respect of areas which are reserved to the UK Parliament. **Clause 12** provides for the financial arrangements. A separate Money resolution is required when a proposal involves "a charge upon the public revenue". Money resolutions for private Members' bills are not taken at second reading because the Government would not normally want to indicate formally before second reading that it supported the principle of a private Members' bill. The Bill provides for immediate commencement following royal assent.

## C. Reactions to the Bill

As noted above, the leader of the Conservative Party, David Cameron, has promised Opposition support for the *Sustainable Communities Bill*, stating that the measure "would significantly alter the balance of power in favour of local councils and local communities".<sup>51</sup>

David Curry, the former shadow Secretary of State for Local Government, noted in the *Local Government Chronicle* that further details were required to assess feasibility:

We need a real feel for just how much money is available for discretionary direction once competences already exercised by councils and national priorities are excluded. The pamphlet speaks of local priorities for affordable housing and the infrastructure to sustain development, urban regeneration and tramway and even motorway construction as being frustrated under the present structure. But are these really starters for local redirection of funding?<sup>52</sup>

The local government commentator Tony Travers commented:

<sup>&</sup>lt;sup>51</sup> *The Permissive State: how to achieve local social responsibility* Conservative Party 2006, Foreword by David Cameron

<sup>&</sup>lt;sup>52</sup> "Now we need the detail" 23 November 2006 *Local Government Chronicle* 

The Tory document is a statement of intent. It is stronger and slightly more detailed than the recent White Paper. Oddly, it would probably be easier to deliver the Cameron/Spelman proposals than for any government to tackle climate change. <sup>53</sup>

Peter Hetherington, regional correspondent for the *Guardian* referred to potential tensions within the Conservative Party in relation to house-building policy. The Quality of Life Commission chaired by the former environment secretary, John Gummer, is due to report shortly. He cited comments made by David Cameron noting that more houses were needed and suggested that local communities in the south east would not necessarily agree.<sup>54</sup>

The Local Government Information Unit supports the main objectives of the Bill, noting "local shops and services, open spaces and transport play a vital social and economic role in our communities and there needs to be additional support to protect them and enhance local variety."<sup>55</sup> The Unit also supports the principle of greater financial transparency and accountability, but considered that "the financial details of this Bill clearly need much more thinking through in order for local authorities to be able to see the tangible benefits it could bring".

Sir Bernard Crick has welcomed the bill as assisting in the development of citizenship education and promoting a participative democracy:

A strong additional case for the Bill is that we are now in the fourth year in England of 'Citizenship' as a compulsory part of the national curriculum. Its thrust is to encourage active citizenship both through discussion of real issues and participation in school and in the community. Participation in the community, as required for Key State Four school pupils, is proving the most difficult for teachers to implement.<sup>56</sup>

The Government have indicated that their preferred approach to the issues on sustainability of communities raised is set out in the local government white paper.<sup>57</sup>

## **VI** Statistical Indicators

This Part presents a range of indicators which are relevant to the debate on sustainable communities.

#### 1. Local government finance

#### Table 1: Central government provision for local authorities: England and Wales

<sup>&</sup>lt;sup>53</sup> "Changing behaviour demands more than policy documents" 9 November 2006 *Local Government Chronicle* 

<sup>&</sup>lt;sup>54</sup> "Tory home truths" *Public Finance* November 2006

<sup>&</sup>lt;sup>55</sup> Local Government Information Unit briefing *The Sustainable Communities Bill* December 2006

<sup>&</sup>lt;sup>56</sup> "Local Sustainability- Bernard Crick backs the bill" 16 November 2006 *New Politics Network* see <u>http://www.new-politics.net/?p=474#04</u>

<sup>&</sup>lt;sup>57</sup> For a summary of the white paper proposals, see Library Standard Note no 4184 *Local Government White Paper* 

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	Special g	rants	Revenue	Business		Other	Total Gover provisio		Gross Revenue
£billions	outside AEF	within AEF	Support Grant	rates	Police Grant	Grants		% of GRE	Expenditure
1993/94	8.0	4.8	18.7	12.1	n/a	n/a	43.6	82%	53.3
1994/95	8.9	5.1	20.2	11.1	n/a	0.5	45.8	81%	56.2
1995/96	9.4	1.8	20.0	11.9	3.3	0.4	46.7	81%	57.9
1996/97	9.6	1.6	19.8	13.2	3.3	0.5	47.9	80%	59.9
1997/98	9.9	1.8	20.4	12.6	3.4	0.3	48.4	79%	61.2
1998/99	9.7	2.1	21.3	13.1	3.5	0.4	50.1	79%	63.9
1999/00	9.1	2.5	21.8	14.3	3.7	0.3	51.6	78%	66.3
2000/01	8.9	3.7	21.5	16.0	3.8	0.2	54.1	78%	69.6
2001/02	8.6	5.5	23.2	15.8	4.0	0.2	57.4	78%	73.8
2002/03	9.1	7.7	22.2	17.3	4.0	0.2	60.5	77%	78.4
2003/04	11.6	9.4	26.7	16.3	4.3	0.2	68.4	77%	88.5
2004/05	16.5	12.8	29.6	15.7	4.4	0.1	79.0	78%	100.9
2005/06	18.1	13.2	29.4	18.7	4.6	0.1	84.1	78%	107.7
2006/07	18.2	41.3	6.3	18.2	4.2	0.1	88.4	76%	116.2

Source: CIPFA, Finance and General Statistics, various years

#### 2. Access to services

#### а. Post offices

Table 2 details the annual change in the Post Office network size in the UK between 1981/82 and 2005/06. From June 2005, a new system of recording the number of Post Offices was introduced, causing a discontinuity in the overall total. While the figures for 2005/06 are therefore not directly comparable with those for earlier years, it is clear that the number of branches has declined consistently year-on-year over the period considered.

Further detail on numbers and closures by region is provided in the Library Standard Note Post Office numbers.58

Year	Total at year end	Net change	% change
1981/82	22,405	-70	-0.3%
1982/83	22,301	-104	-0.5%
1983/84	22,058	-243	-1.1%
1984/85	21,663	-395	-1.8%
1985/86	21,305	-358	-1.7%
1986/87	21,211	-94	-0.4%
1987/88	21,071	-140	-0.7%
1988/89	21,030	-41	-0.2%
1989/90	20,871	-159	-0.8%
1990/91	20,638	-233	-1.1%
1991/92	20,160	-478	-2.3%
1992/93	19,958	-202	-1.0%
1993/94	19,782	-176	-0.9%
1994/95	19,607	-175	-0.9%
1995/96	19,414	-193	-1.0%
1996/97	19,251	-163	-0.8%
1997/98	19,008	-243	-1.3%
1998/99	18,775	-233	-1.2%
1999/00	18,393	-382	-2.0%
2000/01	17,846	-547	-3.0%
2001/02	17,584	-262	-1.5%
2002/03	17,239	-345	-2.0%
2003/04	15,961	-1,278	-7.4%
2004/05	14,609	-1,352	-8.5%
2005/06	14,376	-233	-1.6%

 Table 2:
 Annual change in Post Office network size: UK

COMM, Access to Post Office Services: Time to Act, 30 Sep 2002; Sources:

Royal Mail Group. Quarterly Network Numbers;

POSTCOMM, Annual Report 2005-06, p91

<sup>58</sup> SN/EP/2585

### b. Retailers

Table 3 shows that the number of VAT registered retail businesses in the UK fell by 15% between 1994 and 2005. The largest decrease (51%) occurred for "food, beverage and tobacco" sector businesses.

		U U							
	1994	2000	2001	2002	2003	2004	2005	2006	Change 1994-2006
Retail sales in non-specialised stores	44,080	37,560	37,175	36,585	36,275	36,360	36,740	37,430	-15%
Retail sale of food, beverages and tobacco in specialised stores	63,935	42,805	40,105	37,910	36,120	34,205	32,400	31,365	-51%
Retail sale of pharmaceutical and medical goods and cosmetic articles	7,240	6,460	6,355	6,230	6,080	6,100	6,090	6,225	-14%
Other retail sale of new goods in specialised stores	103,385	96,210	95,810	95,070	95,300	96,575	98,130	100,585	-3%
Retail sale of second-hand goods in stores	6,095	5,945	5,850	5,620	5,440	5,225	4,975	4,635	-24%
Retail sale not in stores	9,605	12,435	13,630	13,420	13,185	13,750	14,570	15,785	64%
Repair of personal and household goods	2,945	5,325	5,715	5,925	6,190	6,375	6,175	5,910	101%
Total	237,285	206,740	204,640	200,760	198,590	198,590	199,080	201,935	-15%

### Table 3: Number of VAT registered businesses in retail trade: UK

 Total
 237,265
 200,740
 204,640
 200

 Notes:
 Start of year, excludes motor trade and repair, includes repair of personal and household goods.
 Start of year, excludes motor trade and repair, includes repair of personal and household goods.
 Start of year, excludes motor trade and repair, includes repair of personal and household goods.

Table shows the number of VAT registered businesses, not the number of outlets.

Figures from IGD, the grocery research organisation, reported by the Association of Convenience Stores show a 1.1% fall in the number of convenience stores in the UK between 2005 and 2006.<sup>59</sup> A convenience store is defined by the IGD as being smaller than 3,000 sq feet and open for long hours each day, selling a wide variety of goods mainly related to food and drink. Convenience stores are made up of co-operative groups, forecourt stores, multiples (such as Tesco Express), symbol groups (such as Spar) and independent stores.<sup>60</sup>

In 2006 there were 2,334 co-operatives, 8,964 forecourt stores, 2,427 multiples, 13,035 symbol group stores and 25,893 independent stores. While the overall convenience store sector turnover has been growing in recent years, the number of independently owned convenience stores has been in decline.<sup>61</sup>

In terms of the overall UK grocery market, IGD states there are 102,511 stores, made up of: 51,526 convenience stores; 44,584 'traditional retail and developing convenience stores' such as newsagents, grocers, off-licences and some forecourts; and 6,401 supermarkets and superstores. In terms of value, the whole grocery sector is worth £123.9 billion, with £90.3 billion of that generated by the supermarkets and superstores.<sup>62</sup>

Source: Small Business Service, VAT Statistics 2005

http://www.sbs.gov.uk/sbsgov/action/layer?topicId=7000011757

<sup>&</sup>lt;sup>59</sup> See <u>http://www.thelocalshop.com/default.asp?Call=Article&ID=4552</u>

For further information see IGD factsheet on Convenience Stores: <u>http://www.igd.com/CIR.asp?menuid=51&cirid=109</u>
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<sup>&</sup>lt;sup>61</sup> ibid.

<sup>&</sup>lt;sup>62</sup> IGD factsheet on UK Grocery Retailing, published 16 May 2006: <u>http://www.igd.com/CIR.asp?menuid=51&cirid=114</u>

#### С. Banks

Table 4 shows that the number of Major Banking Group bank branches declined in every year between 1995 and 2005, falling by 25% over the period. At the same time, the number of building society and other bank branches fell by 14%.

Table 4:	Numbers of bank branches at end-December: UK

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Major Banking Groups in the UK (MBBG)	13,621	12,763	12,200	11,846	11,497	11,026	10,875	10,754	10,600	10,388	10,232
Abbey National (a)	678	867	816	791	765	755	768	766	753	724	712
National & Provincial (a)	326										
Alliance & Leicester	397	345	319	316	319	309	310	310	310	254	254
Bank of Scotland (b)	411	385	349	359	350	334					
Barclays (c)	2,050	1,997	1,975	1,950	1,899	1,727	1,692	1,685	1,681	2,059	2,029
Bradford & Bingley	246	245	235	225	223	222	211	211	204	208	207
Halifax (b) (d)	1,083	971	897	813	909	832					
Birmingham Midshires (d)	120	115	115	120							
HBOS (b)							1,153	1,150	1,105	1,064	1,058
HSBC Bank	1,701	1,702	1,668	1,663	1,662	1,668	1,649	1,615	1,587	1,569	1,513
Lloyds TSB (e)	1,776	1,731	1,610	1,499	2,122	2,013	1,939	1,871	1,845	1,791	1,745
TSB	892	865	837	811							
Lloyds TSB Scotland	190	194	187	185	186	187	186	185	186	185	185
Cheltenham & Gloucester	231	231	231	222	221	210	208	207	207	205	198
National Westminster	2,215	1,920	1,754	1,727	1,712	1,643	1,643	1,640	1,634	1,631	1,631
Northern Rock	156	138	120	107	76	76	76	76	56	56	57
The Royal Bank of Scotland	687	665	673	652	648	648	644	643	643	642	643
Woolwich (c)	462	422	414	406	405	402	396	395	389		
Building Societies and Other Banks	3,428	3,429	3,336	3,263	3,237	3,174	3,175	3,113	3,123	3,028	2,962
Bristol & West (f)	159	156	152	150	132	132	132	132	98	97	
Clydesdale Bank	322	312	297	276	274	263	274	253	236	232	180
The Co-operative Bank (g)	158	136	109	103	96	91	89	88	102	91	92
Yorkshire Bank	270	269	262	251	250	246	255	241	238	217	255
Northern Ireland Banks (h)	327	335	329	326	324	303	299	296	291	287	288
Non-converted building societies (i)	2,192	2,221	2,187	2,157	2,161	2,139	2,126	2,103	2,158	2,104	2,147

Notes: (a) Figures from 1996 include branches of former National & Provincial Building Society (b) Halifax and Bank of Scotland now combined as HBOS

(c) Figures include Woolwich from 2004

(d) Figures from 1999 include branches of former Birmingham Midshires Building Society

(e) Figures prior to 1999 cover Lloyds Bank only (f) Operations of Bristol & West sold to Britannia Building Society in September 2005

(g) Includes automated outlets but excludes "Handy Banks"

(h) Covers Bank of Ireland, First Trust Bank, Northern Bank Ltd and Ulster Bank Ltd

(i) Total number of offices (including one-office societies). Figures exclude those building societies shown above prior to conversion/acquisition British Bankers' Association, Banking Business: The Annual Abstract of Banking Statistics, 2001, 2003, and 2006

Source:

## d. Public houses

The collection of alcohol licensing statistics is currently the responsibility of the Department for Culture, Media and Sport. Since 1980, statistics have been collected every three years. The first comprehensive data collection exercise under the new licensing arrangements will take place in 2007. It will be a new data collection that reflects the changes in licensing law.

Table 5 shows that on 30 June 2004 there were approximately 113,000 on-licensed premises in England and Wales, a rise of 3% from the number recorded in June 2001 – the last time a full survey was carried out – and an increase of 25% on 1980.

	England and V			
	Public houses etc.	Residential and restaurant	Licensed clubs	Total on-licensed premises
1980	67,091	20,622	3,089	90,802
1982	68,373	22,590	3,212	94,175
1983	69,136	23,679	3,363	96,178
1985	70,331	25,263	3,552	99,146
1986	71,200	26,503	3,731	101,434
1988	71,875	28,411	3,845	104,131
1989	72,712	29,426	3,934	106,072
1991	74,299	31,106	3,926	109,331
1992	74,053	29,787	3,798	107,638
1994	75,522	31,409	4,281	111,212
1995	75,392	30,042	4,272	109,706
1997	78,098	31,223	3,951	113,272
1998	77,934	29,779	3,847	111,560
2000	77,876	28,774	3,996	110,646
2001	78,540	27,968	3,748	110,256
2003	81,933	29,462	3,867	115,262
2004	81,455	28,164	3,751	113,370

# Table 5:Premises licensed for the retail sale of intoxicating liquor at 30 June:England and Wales

Source: Liquour Licensing England and Wales, July 2003 - June 2004, DCMS Statistical Bulletin

There is concern that the new public house licences are being issued to large high street chains and theme pubs, threatening the future of the traditional community pub.<sup>63</sup> The published statistics do not offer any clues as to the types of public houses that are awarded licences. The Campaign for Real Ale (CAMRA) is to hold a community pubs week in February:

It's a frightening reality that at least 26 pubs are closing in Britain each month and early indications of new research being carried out by CAMRA suggest that this figure could actually be significantly higher. Worse still, the majority of these pubs are not high street chain bars or theme pubs, but community pubs, recognised by most people these days, as important community amenities. The local pub, after all, is often the heart of the community.<sup>64</sup>

<sup>&</sup>lt;sup>63</sup> CAMRA News, February 17 2003, "20 Pubs close every month and 27% 'never' visit pubs"

<sup>&</sup>lt;sup>64</sup> http://www.camra.org.uk/page.aspx?o=cpw

## e. GPs and dentists

Table 6 shows that the number of GP practices in England declined between 1994 and 2004. However, at the same time the average number of patients per practitioner also fell, suggesting that consolidation was occurring, resulting in a smaller number of larger practices. This trend is confirmed in Table 7. In England, one- and two-partner practices accounted for 42% of the total in 2004, down from 52% in 1994. Similarly in Wales, the proportion of all practices accounted for by one- and two-practitioner operations fell from 43% to 36% over the period.

	Number of GP Practices	Average number of patients per practitoner
1994	9,238	1,850
1995	9,188	1,835
1996	9,113	1,820
1997	9,102	1,815
1998	9,090	1,809
1999	9,034	1,788
2000	8,965	1,795
2001	8,910	1,780
2002	8,833	1,764
2003	8,833	1,736
2004	8,542	1,666

Table 6:	Number	of	GP	practices	and	average	numbers	of	patients	per	practitioner:
	England										

Note: <sup>1</sup> Excluding GP registrars and GP retainers.

Source: Department of Health, Statistics for General Medical Practitioners in England: 1994-2004, March 2005, Table 2

Number of	E	England		Wales					
partners	1994	1999	2004	1994	1999	2004			
1	32%	29%	23%	24%	22%	19%			
2	20%	19%	19%	19%	18%	17%			
3	16%	15%	14%	16%	16%	17%			
4	13%	13%	13%	18%	17%	14%			
5	9%	10%	11%	12%	14%	17%			
6	6%	7%	8%	6%	6%	8%			
7	3%	4%	5%	2%	3%	3%			
8	1%	2%	4%	1%	3%	3%			
9	0%	1%	2%	1%	1%	1%			
10	0%	0%	1%	0%	0%	1%			
11	0%	0%	1%	0%	0%	0%			
12	0%	0%	0%	0%	0%	0%			
13+	0%	0%	0%	0%	0%	0%			
- D		1 10 11	4 11 1 9 1 91		14/ /				

### Table 7:Distribution of GP practices by size: England and Wales as at 30 September

Source: Department of Health, General and Personal Medical Services Statistics, England and Wales, various years

The NHS Information Centre's *GP Practice Vacancies Survey 2006* used survey data to estimate GP vacancy rates at the strategic health authority level in England and at the Government Office Region level in Wales. It found that vacancy rates were higher (1.6%) in the ten most rural areas of England and Wales than in the ten least rural areas (0.9%). It

also found that vacancy rates were higher in the ten areas with the highest additional needs<sup>65</sup> (1.2%) than in the ten areas with the lowest additional needs (0.7%).<sup>66</sup>

Table 8 lists the primary care trusts with the highest and lowest populations per dentist. As at 30 June 2006, there were 20,285 dentists (performers) on open NHS contracts in England as a whole, representing one per 2,486. At the top end, there were 4,548 people per dentist in Yorkshire Wolds and Coast PCT. By contrast, there were just 725 people per dentist in Medway PCT.

# Table 8:Number of dentists on open NHS contracts and population per dentist in<br/>England as at 30 June 2006

	Total number of dentists (performers) on open NHS contracts	Population per dentist <sup>1</sup>
Highest number of people per dentist	open ni le contracto	
Yorkshire Wolds and Coast PCT	33	4,548
South Cambridgeshire PCT	30	4,516
East Kent Coastal PCT	57	4,106
Easington PCT	23	4,037
Suffolk Coastal PCT	26	3,878
Central Suffolk PCT	27	3,730
East Yorkshire PCT	47	3,717
North Stoke PCT	34	3,599
South Peterborough PCT	30	3,580
Doncaster East PCT	32	3,562
Lowest number of people per dentist		
Eastleigh and Test Valley South PCT	131	1,234
Central Derby PCT	54	1,189
Sussex Downs and Weald PCT	141	1,103
Huddersfield Central PCT	123	1,100
Hammersmith and Fulham PCT	166	1,065
Crawley PCT	100	987
Mid Sussex PCT	135	972
Bradford South and West PCT	147	958
Fylde PCT	101	750
Medway PCT	362	725
England	20,285	2,486

Note: PCT population data have been estimated using 2004 mid-year population estimates as these are the latest available at this level.

Sources: NHS Information Centre, NHS Dental Statistics for England. Quarter 2: 30 September 2006, Annex F

<sup>&</sup>lt;sup>65</sup> The Department of Health's Additional Needs Index is calculated using Standardised Limited Long-Standing Illness data and the Standardised Mortality Ratio for those aged under 65, the variables found to be best at explaining variations in GP workload.

<sup>&</sup>lt;sup>66</sup> NHS Information Centre, *GP Practice Vacancies Survey 2006: England and Wales*, 27 July 2006: <u>http://www.ic.nhs.uk/pubs/gppracticevacs2006</u>

## f. Community pharmacies

Table 9 details the number of community pharmacies in contract with primary care trusts (PCTs) and local health boards (LHBs) in England and Wales between 1997 and 2006. The number has altered little over the period, increasing by just 1% from 10,496 to 10,580.

			<b>E</b> 1 10.14(1)
	England	Wales	England & Wales
1997	9,775	721	10,496
1998	9,785	718	10,503
1999	9,782	710	10,492
2000	9,767	707	10,474
2001	9,765	706	10,471
2002	9,756	707	10,463
2003	9,748	704	10,452
2004	9,759	703	10,462
2005	9,736	705	10,441
2006	9,872	708	10,580

Table 9:	Number of community pharmacies in England and Wales at 31 March
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Source: NHS Information Centre, General Pharmaceutical Services in England and Wales 1996-97 to 2005-06, Table 1

Table 10 lists the ten PCTs/LHBs with the highest number of community pharmacies per person and the ten with the lowest. As at 31 March 2006, the number of pharmacies per 100,000 people living in Westminster (41) was more than twice the average for England and Wales (20). By contrast, five PCTs/LHBs recorded rates of half the national average (10 per 100,000).

Table 10:	Community pharmacies in England and Wales at 31 March 2006: ranked by
	number of pharmacies per 100,000 population

	Number of community	Prescription items	Population as at June	Pharmacies per
	pharmacies	dispensed per month	2003	100,000 population
		(000s)	(000s)	
Highest number of pharmacies per 100,00	00 population			
Westminster	95	185	230	41
Central Derby	23	106	64	36
North Manchester	46	247	134	34
Oldbury and Smethwick	27	139	88	31
Eastern Leicester	52	212	173	30
City and Hackney Teaching	64	203	216	30
Blackpool	42	251	143	29
Camden	63	160	217	29
Heart Of Birmingham Teaching	72	360	252	29
North Liverpool	29	166	103	28
Lowest number of pharmacies per 100,00	0 population			
West Norfolk	20	127	162	12
Cherwell Vale	15	86	123	12
Southern Norfolk	25	187	210	12
South Huddersfield	10	65	85	12
Lincolnshire South West Teaching	19	143	173	11
Wokingham	16	101	152	10
South Cambridgeshire	14	68	135	10
Mid-Hampshire	18	120	177	10
Central Suffolk	10	59	101	10
Uttlesford	7	41	73	10
National averages				
England	9,872	54,914	50,093	20
Wales	708	4,547	2,938	24
England & Wales	10,580	59,462	53,031	20

Source: NHS Information Centre, General Pharmaceutical Services in England and Wales 1996-97 to 2005-06, Table 2

# g. Public transport

Table 11 shows that the proportion of households in Great Britain that did not have access to a car has fallen over time, from 38% in 1985 to 25 per cent in 2005, while the proportion of households with access to two or more cars has risen from 17% to 32% over the same period. There are now more households with at least two cars than there are households with access to no cars.

	No car	One car	2+ cars	Cars per household
1985/86	38	45	17	0.82
1989/91	33	45	22	0.94
1992/94	33	44	23	0.96
1995/97	30	44	25	1.00
1998/00	28	44	28	1.05
2002	27	44	29	1.08
2003	27	43	31	1.10
2004	26	44	30	1.10
2005	25	43	32	1.15

#### Table 11: Access to cars: Great Britain 2005

Source: Department for Transport, National Travel Survey 2005

Since urban areas have access to more frequent public transport services, more people living in urban areas are able to live without regular access to cars. Table 12 shows that in 2005, 39% of households in London did not have access to a car compared to 11% in rural areas. Similarly, 52% of households in rural areas had access to two or more cars compared to 18% of households in London.

	No car	One car	2+ cars	Cars per household
London boroughs	39	43	18	0.83
Metropolitan areas	32	41	27	0.99
Large urban areas	23	45	32	1.14
Medium urban areas	25	43	31	1.13
Small/medium urban areas	23	47	30	1.13
Small urban areas	20	43	37	1.24
Rural areas	11	37	52	1.59
All areas	25	43	32	1.15

#### Table 12: Access to cars by type of area of residence: Great Britain 2005

Source: Department for Transport, National Travel Survey 2005

The Transport Act 2000 required all local authorities to provide a minimum standard of a half fare for women aged 60 or over, men aged 65 or over and disabled persons. From 1 April 2004 the eligible age for these schemes was equalised to 60 or over for both men and women.

Concessionary fare take-up rates have increased since the introduction of concessionary schemes in 2000, and following the equalisation of the eligible age in 2003 take-up rates again increased, from 52% in 2002 to 56% in 2005. Table 13 shows that take-up has varied by area type. For example, take-up of concessionary fare schemes in London was 84% in 2005 compared to 34% in rural areas, possibly explained by a higher reliance on cars in rural compared to large urban areas.

### Table 13:Concessionary fare schemes by type of area of residence: Great Britain 2005

	Scheme	Tal	ke-up rate	
	availability	2003	2004	2005
London boroughs	100%	80%	83%	84%
Metropolitan areas	100%	73%	71%	70%
Large urban areas	100%	56%	59%	56%
Medium urban areas	100%	53%	51%	54%
Small/medium urban areas	100%	52%	53%	55%
Small urban areas	100%	47%	46%	46%
Rural areas	100%	33%	36%	34%
All areas	100%	56%	56%	56%

Source: Department for Transport, National Travel Survey 2005

In Great Britain as a whole, the average distance that households live from the nearest bus stop has remained relatively constant over recent years. It varies, however, according to area type. In 2005, 86% of households lived within 6 minutes walk of a bus stop, but this proportion fell to 70% in rural areas. Similarly, just 4% of households lived 14 or more minutes from a bus stop, but this proportion rose to 18% among households in rural areas.

The minimum criterion for the Government's bus availability indicator is that households should live within 13 minutes walk of an hourly or better bus service. In London, 98% of households lived within 13 minutes walk of a bus stop in 2005, compared to 54% of households in rural areas.

	Numb		Availability	
Proportion of households	6 or less	7 to 13	14 or more	Indicator <sup>1</sup>
London boroughs	89%	10%	1%	98%
Metropolitan areas	90%	8%	2%	96%
Large urban areas	86%	11%	2%	95%
Medium urban areas	89%	10%	1%	95%
Small/medium urban areas	87%	11%	2%	92%
Small urban areas	86%	11%	3%	89%
Rural areas	70%	12%	18%	54%
All areas	86%	10%	4%	89%

# Table 14:Time taken to walk to nearest bus stop by type of area of residence:Great Britain 2005

Note: <sup>1</sup> Househoilds within 13 minutes walk of bus stop with service at least once an hour.

Source: Department for Transport, National Travel Survey 2005

# 3. Economic activity and local environment

## a. Employment

Table 15 details the local authorities with the highest and lowest economic activity rates in England and Wales. In Rushmoor, 91.6% of persons of working age were economically active in 2005/06, compared with an average for England and Wales of 78.2%. By contrast, just 59.6% of the working age population in Hackney was economically active.

	Economic activity rate - all persons o
	working age
Highest economic activity rate	
Rushmoor	91.6%
South Northamptonshire	91.1%
West Oxfordshire	90.2%
Blaby	89.7%
Bromsgrove	89.4%
Cherwell	89.3%
Harlow	89.1%
South Derbyshire	89.1%
Mid Sussex	88.8%
Cotswold	88.4%
Guildford	88.4%
Lowest economic activity rate	
Barking and Dagenham	68.5%
Camden	68.4%
Liverpool	68.0%
Merthyr Tydfil	67.6%
Torridge	67.5%
Manchester	67.4%
Islington	66.7%
Newham	65.1%
Tower Hamlets	62.1%
Hackney	59.6%
National economic activity rates	
England	78.4%
Wales	75.0%
England and Wales	78.2%

Table 15.	Economic cotivity ref	too by local outbority	England and Walso 2005/06
Table 15:	Economic activity rat	tes by local authority.	England and Wales 2005/06

Source: ONS via Nomisweb, Annual Population Survey

Table 16 details the local authorities with the highest and lowest employment rates in England and Wales. In South Northamptonshire, 91.1% of persons of working age were employed in 2005/06, compared with an average for England and Wales of 74.2%. By contrast, just 53.2% of the working age population in Hackney was employed.

		Employment rate - all persons of working age
Highest e	employment rate	
•	Northamptonshire	91.1%
Blaby		88.7%
Cotsw	old	87.5%
Broms	grove	87.0%
West	Oxfordshire	87.0%
Mid Su	JSSEX	86.6%
Cherw	rell	86.2%
Surrey	/ Heath	86.2%
Vale o	f White Horse	86.2%
Eden		85.9%
Lowest e	employment rate	
Barkin	g and Dagenham	62.0%
Liverpool		62.0%
Westn	ninster, City of	62.0%
Islingto	on	61.6%
Manch	nester	61.5%
Merthy	/r Tydfil	61.4%
Newha	am	59.4%
West	Somerset	59.3%
Tower	Hamlets	54.1%
Hackn	еу	53.2%
	employment rates	
Englar		74.4%
Wales		71.0%
Englar	nd and Wales	74.2%
Note:		sults of the Annual Population Survey.
		bject to sampling variabilty.
Source:	ONS via Nomisweb, Annu	al Population Survey

Table 16	:	Employment rates by local authority: England and Wales 2005/06

# b. Deprivation

The Index of Multiple Deprivation (IMD 2004) is a measure of deprivation at the small area level, based on distinct dimensions of deprivation, including:

- income deprivation;
- employment deprivation;
- health deprivation and disability;
- education, skills and training deprivation;
- barriers to housing and services;
- living environment deprivation; and
- crime.

These measures are experienced by individuals living in an area. People may be counted as deprived in one or more of the domains depending on the number of types of deprivation that they experience.

The overall IMD is conceptualised as a weighted area level aggregation of these specific measures of deprivation. The IMD 2004 is produced at a small geography called Super Output Area (SOA) Lower Layer, allowing for a better identification and targeting of areas where small pockets of deprivation exist.

Table 17 shows the 20 most and least deprived Super Output Areas in England and their associated local authorities and parliamentary constituencies. Further information on the Index of Multiple Deprivation is available from the Library Standard Note *The Index of Multiple Deprivation 2004: Frequently Asked Questions.*<sup>67</sup>

67 SN/SG/3265

Ward	Local Authority	Parliamentary constituency
20 most deprived super output areas in Eng	gland	
Breckfield	Liverpool	Liverpool Walton
Harpurhey	Manchester	Manchester Blackley
Speke	Liverpool	Liverpool Garston
Central	Manchester	Manchester Central
Harpurhey	Manchester	Manchester Blackley
Ardwick	Manchester	Manchester Central
Princess	Knowsley	Knowsley South
Granby	Liverpool	Liverpool Riverside
Harpurhey	Manchester	Manchester Blackley
Breckfield	Liverpool	Liverpool Walton
Bradford	Manchester	Manchester Central
Bradford	Manchester	Manchester Central
Vauxhall	Liverpool	Liverpool Riverside
Princess	Knowsley	Knowsley South
Kirkby Central	Knowsley	Knowesley North & Sefton East
Central and Falinge	Rochdale	Rochdale
Middlehaven	Middlesbrough	Middlesbrough
Central and Falinge	Rochdale	Rochdale
Lawrence Hill	Bristol, City of	Bristol East
Moss Side	Manchester	Manchester Central
20 least deprived super output areas in Eng	land	
Oakley and North Waltham	Basingstoke and Dean	North West Hampshire
Wokingham Without	Wokingham	Bracknell
Chorleywood West	Three Rivers	South West Hertfordshire
Prestwood and Heath End	Chiltern	Aylesbury
Farnham Bourne	Waverley	South West Surrey
Farnham Shortheath and Boundstone	Waverley	South West Surrey
Witney West	West Oxfordshire	Witney
Cove and Southwood	Rushmoor	5
Bookham North		Aldershot Mole Valley
	Mole Valley	5
Remenham and Wargrave	Wokingham	Maidenhead
Holbrook East	Horsham	Horsham
Lightwater	Surrey Heath	Surrey Heath
Marshalwick North	St Albans	Hitchin and Harpenden/St Albans
Yateley West	Hart	Aldershot
Rickmansworth West	Three Rivers	South West Hertfordshire
Heatherside	Surrey Heath	Surrey Heath
Frimley	Surrey Heath	Surrey Heath
Haddenham	Aylesbury Vale	Buckingham
Dunton Green and Riverhead	Sevenoaks	Sevenoaks
Hillside	Wokingham	Wokingham

# Table 17:Index of Multiple Deprivation 2004: 20 most- and least-deprived areas in<br/>England

ScDCLG, Indices of Multiple Deprivation 2004

### c. Greenhouse gas emissions

Table 18 details greenhouse gas emissions since 1990. Provisional UK emissions of greenhouse gases stood at 180.5 million tonnes of carbon equivalent in 2005. This was 15% less than 1990, but there has been little reduction since 1999. UK carbon dioxide emissions fell by 18% between 1970 and 2004. More recently the decline in emissions has halted. There has been no sustained trend, up or down, since the mid-1990s. The UK is on course to meet its Kyoto target but current projections are that carbon dioxide emissions will be 16-17% below their baseline by 2010, compared to the 20% reduction target.<sup>68</sup>

Million tonnes of carbon									Targe	ets
equivalent	1990	1995	2000	2001	2002	2003	2004	2005 <sub>p</sub>		2008-2012
									2010 CO <sub>2</sub> target	Kyoto target <sup>(a)</sup>
Carbon dioxide (net)	161.5	149.9	149.0	153.1	148.6	151.8	152.5	153.0	129.2	
Methane	28.2	24.6	18.6	17.1	16.2	14.6	14.1	-		
Nitrous oxide	18.6	15.5	12.1	11.5	11.0	10.9	11.1	-		
HFCs	3.1	4.2	2.5	2.6	2.7	2.8	2.4	-		
PFCs	0.4	0.1	0.1	0.1	0.1	0.1	0.1	-		
Sulphur hexafluoride	0.3	0.3	0.5	0.4	0.4	0.4	0.3	-		
basket	211.4	194.4	182.7	184.7	179.1	180.4	180.6	180.5		186.1

Table 18:	Estimated total emissions of UK 'basket' green	house gases on an IPCC basis
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Notes: (a) The 1990 baseline, is the sum of 1990 totals for all gases other than HFCs, PFCs and sulphur hexafluoride where 1995 data are used.

(b) The Kyoto basket totals differ slightly from the sum of the 6 individually reported gases shown above due to differences in the coverage of land use change and forestry, and the inclusion of the UK Overseas Territories.

Source: DEFRA, e-Digest of Environmental Statistics, Table 4

Defra has published 'experimental statistics' on carbon dioxide emissions at a local level for 2003 and 2004. In 2004, the UK average was 0.72 tonnes of carbon equivalent per capita. Table 19 shows domestic emissions at the local level in England and Wales on an end-user basis (where emissions are distributed according to the point of consumption rather than production). These include emissions from energy consumption in the home and therefore exclude transport and other uses. Variations are the result of a large number of factors, including the type of fuel used, household size, types of housing, insulation, income and the weather. Local authority total emissions from all sectors vary to a much greater degree as a local concentration of energy-intensive industry has a major impact on an area's total.

It should be noted that these data are not perfect. They are based on fuel consumption data in which there are known inaccuracies for some local authorities. The figures should therefore been viewed with caution.

<sup>&</sup>lt;sup>68</sup> DTI, *The energy challenge: Energy review report 2006*, Annex C

	Tonnes of CO <sub>2</sub> as carbon
Lowest emissions per capita	
Camden	0.46
Newham	0.48
Hackney	0.51
Hastings	0.52
Lewisham	0.53
Oadby and Wigston	0.53
Barking and Dagenham	0.55
Blaenau Gwent	0.56
Luton	0.56
Tower Hamlets	0.56
Highest emissions per capita	
West Dorset	0.91
South Oxfordshire	0.92
Ryedale	0.92
Staffordshire Moorlands	0.92
South Bucks	0.93
Derwentside	0.93
Cotswold	0.95
South Hams	0.95
Hambleton	0.98
Teesdale	1.17

#### Table 19: Domestic carbon dioxide emissions per capita in 2004

Note:

Emissions are calculated on an end user basis

Source: DEFRA, *Emissions of carbon dioxide for local authority areas* 

# 4. Participation and civic activity

# a. Volunteering

The Government's 2005 Citizenship Survey found that:

- One-half of people in England (50%) had undertaken formal or informal volunteering at least once a month in the year immediately prior to interview, equivalent to approximately 20.4 million volunteers. The proportion undertaking formal volunteering was 29% while 37% had undertaken informal volunteering at least once a month during the previous year.
- Participation in voluntary activities at least once a month was significantly higher among those with formal educational qualifications (55%) than among those who had no formal qualifications (38%).
- The most common forms of informal volunteering were giving advice (52%), transporting or escorting someone (38%), and keeping in touch with someone (38%).
- Among those taking part in formal voluntary activities, the most common types of activity were raising or handling money or taking part in a sponsored event (51%), organising/helping to run an activity/event (47%). Formal volunteers gave on average 11.9 hours per week of their time while informal volunteers gave 7.9 hours/week on average.
- The most common barriers to volunteering cited by those who do not regularly volunteer were work commitments (59%), doing other things in spare time (31%), and looking after children or the home (29%).<sup>69</sup>

<sup>&</sup>lt;sup>69</sup> DCLG, *2005 Citizenship Survey: Active communities topic report*, June 2006: <u>http://www.communities.gov.uk/pub/36/CitizenshipSurveyTopicreportactivecommunities\_id1501036.pdf</u>

# b. Civic activity

The Citizenship Survey defined civic renewal as "the development of strong, active, and empowered communities, in which people are able to do things for themselves, define the problems they face, and tackle them in partnership with public bodies". The Survey asked respondents a number of questions regarding civic renewal. Key findings included:

- Civic activist activities had been undertaken by 4% of people in England at least once a month in the 12 months before interview, while 9% had participated on at least one occasion in the preceding 12 months.
- Civic consultation activities had been undertaken by 2% of respondents at least once a month in the previous year, and by 20% on at least one occasion during the year.
- 2% of respondents had undertaken civic participation activities at least once a month in the 12 months before interview, while 38 per cent of people undertook civic participation activities on at least one occasion during the year.
- Two-fifths of respondents (39%) felt that they could influence decisions affecting their local area. 22% felt they could influence decisions affecting Britain.
- The situations in which respondents were most likely to think that people in their area would intervene included if there was a fight in the neighbourhood (82%), if children were spray-painting graffiti (79%) and to help solve a community problem (78%).
- More than two-thirds (68%) felt that people in their neighbourhood pull together to improve the neighbourhood. Trust in institutions was higher for the police and the courts than for Parliament and local councils. 79% trusted the police, 70% trusted the courts but only 37% trusted Parliament.

# 5. Agriculture and food supply

Table 20 details the change in the numbers of agricultural holdings, and the overall size of those holdings in the UK, between 1994 and 2004. It shows that the overall size of agricultural land in the UK has altered little, but that the number of holdings has increased from 244,000 to 307,000.

Tables 21 & 22 detail the number of organic producers and growers and the associated extent of organic cultivation in England and Wales between March 2003 and January 2006. The number of producers and growers appears to have increased only slightly over the period, but the number of hectares has increased significantly in all regions.

The Soil Association's *Organic Market Report 2006* identified 550 farmers' markets in the UK in 2005, with a combined annual turnover of £220 million, up from £200 million in 2004. The report also noted that the National Farmers' Retailer and Markets Association estimated that 10-15% of all stallholders at farmers' markets were selling organic produce, with a retail value of £27.5 million.<sup>70</sup>

	Agricultural I	loiuiligs by size.			
	Under 20 hectares	20 to under 50	50 to under 100	100 hectares and	Total
		hectares	hectares	over	
Number of	holdings (000)				
1994	103	59	42	41	244
2004	180	48	37	42	307
Hectares (0	000)				
1994	839	1,942	2,972	11,377	17,130
2004	889	1,597	2,646	12,068	17,200

### Table 20: Agricultural holdings by size: UK as at June

Source: DEFRA, Agriculture in the United Kingdom various years

#### Table 21: Number of organic producers and growers: England and Wales

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	March 2003	January 2004	January 2005	January 2006
North East	73	74	83	101
North West	171	169	176	168
Yorkshire & Humberside	136	134	149	138
East Midlands	220	218	237	221
West Midlands	330	325	337	335
Eastern	248	258	259	253
South West	1,026	1,020	1,123	1,152
South East (inc. London)	418	409	463	417
England	2,622	2,607	2,827	2,785
Wales	618	623	667	688

Source: DEFRA, Organic statistics - UK, September 2006, Table 3

<sup>70</sup> Soil Association, Organic Market Report 2006, p53 & Organic Market Report 2004, p52

	March 2003	January 2004	January 2005	January 2006
In conversion land				
North East	15,332	6,812	4,609	6,643
North West	7,708	2,638	2,518	3,236
Yorkshire & Humberside	2,257	1,676	1,279	2,341
East Midlands	2,900	1,611	1,170	2,434
West Midlands	5,977	3,696	2,374	3,218
Eastern	4,140	2,976	2,416	2,649
South West	17,976	10,846	9,089	21,979
South East (inc. London)	11,501	6,530	5,378	10,723
England	67,791	36,786	28,832	53,223
Wales	13,720	8,040	8,643	12,808
Organic land				
North East	12,415	20,470	25,306	29,296
North West	15,096	19,853	19,815	18,858
Yorkshire & Humberside	6,968	8,079	8,560	8,978
East Midlands	11,959	16,107	13,417	13,172
West Midlands	23,423	25,484	26,764	27,011
Eastern	7,753	9,669	10,319	11,782
South West	78,082	86,247	90,500	94,008
South East (inc. London)	28,348	34,288	34,946	35,250
England	184,045	220,197	229,626	238,355
Wales	41,381	50,240	55,564	58,024

### Table 22: Hectares of organic and in-conversion land: England and Wales

Source: DEFRA, Organic statistics - UK, September 2006, Table 1