EXPLANATORY MEMORANDUM TO

THE WEST NORTHAMPTONSHIRE DEVELOPMENT CORPORATION (AREA AND CONSTITUTION) (AMENDMENT) ORDER 2011

2011 No. [XXXX]

1. This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 This Order amends the West Northamptonshire Development Corporation (Area and Constitution) Order 2004 (S.I. 2004/3370) ("the 2004 Order") which established the West Northamptonshire Development Corporation ("the Corporation") as an urban development corporation.

2.2 The effect of this Order is to amend the 2004 Order so as to reduce the size of the Corporation from eleven members in addition to the chairman and deputy chairman to seven members in addition to the chairman and deputy chairman.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Context

4.1 The Corporation was established by the 2004 Order for the purposes of regenerating three areas in West Northamptonshire, which it designated as an urban development area.

4.2 Paragraph 1 of Schedule 26 to the Local Government, Planning and Land Act 1980 provides that an urban development corporation (UDC) shall consist of a chairman, a deputy chairman and such number of other members (not less than five but not exceeding 11) as the Secretary of State may by order provide. Article 3(2) of the 2004 Order provides that the Corporation shall consist of eleven members in addition to the chairman and deputy chairman.

5. Territorial Extent and Application

5.1 This instrument applies to England.

6. European Convention on Human Rights

Baroness Hanham, Parliamentary Under-Secretary of State at the Department for Communities and Local Government, has made the following statement regarding Human Rights:

In my view the provisions of the West Northamptonshire Development Corporation (Area and Constitution) (Amendment) Order 2011 are compatible with the Convention rights.

7. Policy background

- What is being done and why

7.1 The 2003 Sustainable Communities Plan ("Sustainable communities: building for the future" ODPM[1]) identified four growth areas to accommodate the economic success of London and the wider South East, and included a commitment to set up strengthened local delivery vehicles in these areas with the necessary powers to drive forward development.

7.2 The 2004 Order established the Corporation and set the size of the Board as eleven members plus a chair and deputy chair; however during consideration of the 2004 Order by the House of Lords an undertaking was sought and subsequently given by the Department that the Board would include six local authority members, with the distribution as follows:

- two representatives nominated by Northamptonshire County Council, to be from different political groups;
- two representatives nominated by Northampton Borough Council, to be from different political groups;
- one representative nominated by Daventry District Council; and
- one representative nominated by South Northamptonshire District Council.

The remaining seven board members (including Chair and Deputy) are 'independent' and recruited through fair and open competition.

7.3 In June 2009, the Department undertook a Quinquennial Review of the three UDCs in England. The review looked at the performance and future of the UDCs and included a 12 week public consultation. The review concluded that the Corporation should become a more strategic delivery focussed organisation, with planning functions returned to the local authorities in a staged and managed way. It set out plans to invite the local authorities to bring forward proposals for new non-statutory delivery arrangements which might succeed the Corporation in 2013-14.

7.4 The Government subsequently conducted a review of all arms-length bodies and, on 14 October 2010, the Public Bodies Review confirmed that the Corporation would be devolved to the local authorities. On 27 September 2010 Andrew Stunell, Parliamentary Under-Secretary of State at the Department for Communities and Local Government confirmed that as a precursor to this, and to reflect the more localist policy approach, the

[1] http://www.communities.gov.uk/publications/communities/sustainablecommunitiesbuilding

Department would seek to reduce the size of the Board from thirteen to nine, six of whom would be local authority members.

7.5 This Order amends the 2004 Order so that the Board of the Corporation will consist of seven members in addition to the chairman and deputy chairman. The commitment to the undertaking on local authority representation highlighted in paragraph 7.2 will remain the same.

8. Consultation outcome

8.1 A 12 week consultation took place between 22 June and 18 September 2009 as part of the Quinquennial Review. The consultation sought views on the future and performance of the Corporation and included questions on whether its Board should be changed in terms of local authority representation and ex officio posts. 291 responses were received including from the four local authorities, public sector bodies, businesses, developers, members of the public and 237 responses from an organised campaign. Of those who responded to the question regarding local authority representation a majority favoured a change. Of these many favoured an increase in representation for local authorities with greater local input and democratic accountability cited as the main reasons.

9. Guidance

9.1 No guidance on this Order will be issued.

10. Impact

10.1 An Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

10.2 There is no new impact on the public sector.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 There will be no formal monitoring or review of the effect of this Order; however the Department will monitor the working and performance of the Board through its role sponsoring the Corporation.

13. Contact

Xavia Morbey at the Department for Communities and Local Government Tel: 03033 44 43815 or email: xavia.morbey@communities.gsi.gov.uk can answer any queries regarding the instrument.