# Localism Act 2011

**2011 CHAPTER 20**

## PART 8

LONDON

## CHAPTER 2

MAYORAL DEVELOPMENT CORPORATIONS

*Introductory*

### 196 Interpretation of Chapter

In this Chapter—

"the Mayor" means the Mayor of London;

"MDC" means a Mayoral development corporation (see section 198).

*Establishment and areas*

### 197 Designation of Mayoral development areas

(1) The Mayor may designate any area of land in Greater London as a Mayoral development area.

(2) Separate parcels of land may be designated as one Mayoral development area.

(3) The Mayor may designate a Mayoral development area only if—

(a) the Mayor considers that designation of the area is expedient for furthering any one or more of the Greater London Authority's principal purposes,

(b) the Mayor has consulted the persons specified by subsection (4),

(c) the Mayor has had regard to any comments made in response by the consultees,

(d) in the event that those comments include comments made by the London Assembly or a consultee under subsection (4)(d), (e), (f) or (g) that are comments that the Mayor does not accept, the Mayor has published a statement giving the reasons for the non-acceptance,

(e) the Mayor has laid before the London Assembly, in accordance with standing orders of the Greater London Authority, a document stating that the Mayor is proposing to designate the area, and

(f) the consideration period for the document has expired without the London Assembly having rejected the proposal.

(4) The persons who have to be consulted before an area may be designated are—

(a) the London Assembly,

(b) each constituency member of the London Assembly whose Assembly constituency contains any part of the area,

(c) each Member of Parliament whose parliamentary constituency contains any part of the area,

(d) each London borough council whose borough contains any part of the area,

(e) the Common Council of the City of London if any part of the area is within the City,

(f) the sub-treasurer of the Inner Temple if any part of the area is within the Inner Temple,

(g) the under treasurer of the Middle Temple if any part of the area is within the Middle Temple, and

(h) any other person whom the Mayor considers it appropriate to consult.

(5) For the purposes of subsection (3)(f)—

(a) the "consideration period" for a document is the 21 days beginning with the day the document is laid before the London Assembly in accordance with standing orders of the Greater London Authority, and

(b) the London Assembly rejects a proposal if it resolves to do so on a motion—

(i) considered at a meeting of the Assembly throughout which members of the public are entitled to be present, and

(ii) agreed to by at least two thirds of the Assembly members voting.

(6) If the Mayor designates a Mayoral development area, the Mayor must—

(a) publicise the designation,

(b) notify the Secretary of State of the designation, and

(c) notify the Secretary of State of the name to be given to the Mayoral development corporation for the area.

(7) Section 30(2) of the Greater London Authority Act 1999 (interpretation of references to the Authority's principal purposes) applies for the purposes of subsection (3)(a).

**Commencement Information**

**I1** S. 197(1)(2)(3)(a)-(d)(4)(6)(7) in force at 15.1.2012 see s. 240(1)(l)

**I2** S. 197(3)(e)(f)(5) in force at 15.1.2012 by S.I. 2012/57, **art. 4(1)(bb)** (with arts. 6, 7, arts. 9-11)

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

### 198 Mayoral development corporations: establishment

(1) Subsection (2) applies if the Secretary of State receives notification under section 197(6) of the designation of a Mayoral development area.

(2) The Secretary of State must by order—
- (a) establish a corporation for the area,
- (b) give the corporation the name notified to the Secretary of State by the Mayor, and
- (c) give effect to any decisions notified under section 202(8) (decisions about planning functions, but see also sections 199(4) and 214(6) as regards other decisions to which effect has to be given).

(3) A corporation established under subsection (2) is a Mayoral development corporation.

(4) A Mayoral development corporation is a body corporate having the name given to it by the order establishing it.

(5) In exercising power under subsection (2) to make provision of the kind mentioned in section 235(2)(b), the Secretary of State is to have regard to any relevant representations received from the Mayor.

(6) Schedule 21 (further provision about MDCs) has effect.

### 199 Exclusion of land from Mayoral development areas

(1) The Mayor may alter the boundaries of a Mayoral development area so as to exclude any area of land.

(2) Before making an alteration, the Mayor must consult—
- (a) the London Assembly, and
- (b) any other person whom the Mayor considers it appropriate to consult.

(3) If the Mayor makes an alteration, the Mayor must—
- (a) publicise the alteration,
- (b) notify the Secretary of State of the alteration, and
- (c) notify the MDC for the area (if an MDC has been established for that area).

(4) If the Secretary of State receives notification under subsection (3) of an alteration, the Secretary of State must give effect to the alteration—
- (a) when making the order under section 198(2) that establishes an MDC for the Mayoral development area concerned, or
- (b) by exercising the power to amend that order (see section 14 of the Interpretation Act 1978).

### 200 Transfers of property etc to a Mayoral development corporation

(1) The Secretary of State may at any time make a scheme transferring to an MDC property, rights and liabilities of a person within subsection (3).

(2) Before making a scheme under subsection (1), the Secretary of State must consult—
- (a) the person whose property, rights or liabilities would be transferred, and
- (b) the Mayor.

**Status:** *Point in time view as at 15/01/2012.*
**Changes to legislation:** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

(3) A person is within this subsection if the person is—

(a) a London borough council,

(b) the Common Council of the City of London in its capacity as a local authority,

(c) the Homes and Communities Agency,

(d) a development corporation established under the New Towns Act 1981 for a new town all or part of whose area is in Greater London,

(e) an urban development corporation for an urban development area all or part of which is in Greater London,

(f) the Olympic Delivery Authority,

(g) any company, or other body corporate, which is a wholly-owned subsidiary of the Olympic Delivery Authority,

(h) any company, or other body corporate, which—

(i) is a subsidiary of the Olympic Delivery Authority, and

(ii) is a subsidiary of at least one other public authority, and

(iii) is not a subsidiary of any person who is not a public authority,

(i) a Minister of the Crown or a government department,

(j) any company all the shares in which are held by a Minister of the Crown, or

(k) any company whose members—

(i) include the Mayor and a Minister of the Crown, and

(ii) do not include anyone who is neither the Mayor nor a Minister of the Crown.

(4) The Mayor may at any time make a scheme transferring to an MDC property, rights and liabilities of—

(a) the Greater London Authority,

(b) a functional body other than that MDC, or

(c) a company that is a subsidiary of the Greater London Authority.

(5) The Mayor must publish a scheme under subsection (4) as soon after it is made as is reasonably practicable.

(6) The Secretary of State may by order specify another person, or a description of other persons, from whom property, rights or liabilities may be transferred under subsection (1) or (4).

(7) In subsection (3)(g) “wholly-owned subsidiary” has the meaning given by section 1159 of the Companies Act 2006.

(8) For the purposes of subsection (3)(h) and paragraph (b) of this subsection, a body corporate (“C”) is a “subsidiary” of another person (“P”) if—

(a) P, or P's nominee, is a member of C, or

(b) C is a subsidiary of a body corporate that is itself a subsidiary of P.

(9) In subsection (4)(c)—

“company” means—

(a) a company within the meaning given by section 1(1) of the Companies Act 2006, or

(b) a society registered or deemed to be registered under the Co-operative and Community Benefit Societies and Credit Unions Act 1965 or the Industrial and Provident Societies Act (Northern Ireland) 1969, and

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

"subsidiary" has the meaning given by section 1159 of the Companies Act 2006.

(10) In this section—

"functional body" has the meaning given by section 424(1) of the Greater London Authority Act 1999;

"Minister of the Crown" has the same meaning as in the Ministers of the Crown Act 1975;

"public authority" means a public body or a Minister of the Crown or other holder of a public office;

"urban development corporation" means a corporation established by an order under section 135 of the Local Government, Planning and Land Act 1980.

*Object and main power*

**201 Object and powers**

(1) The object of an MDC is to secure the regeneration of its area.

(2) An MDC may do anything it considers appropriate for the purposes of its object or for purposes incidental to those purposes.

(3) In this section "specific power", in relation to an MDC, means any of the MDC's powers other than its powers under subsection (2).

(4) An MDC's specific powers are to be exercised for the purposes of its object or for purposes incidental to those purposes.

(5) Each of an MDC's specific powers may be exercised separately or together with, or as part of, another of its specific powers.

(6) None of an MDC's specific powers limits the scope of its other specific powers.

(7) None of an MDC's specific powers limits the scope of its powers under subsection (2).

(8) But—

(a) subsections (4) and (5) do not apply to an MDC in its capacity as a local planning authority as a result of decisions under section 202 or in its exercise of other functions as a result of decisions under that section,

(b) subsection (4) does not apply to the exercise of a function by an MDC in consequence of an authorisation under section 38 of the Greater London Authority Act 1999 (delegation by Mayor), and

(c) the powers conferred by subsection (2) must not be used to override a restriction imposed on the exercise of a specific power.

*Planning and infrastructure functions*

**202 Functions in relation to Town and Country Planning**

(1) Subsections (2) to (4) apply if the Mayor designates a Mayoral development area.

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

(2) The Mayor may decide that the MDC for the area ("the MDC") is to be the local planning authority, for the whole or any portion of the area, for the purposes of any one or more of the following—
  (a) Part 3 of the Town and Country Planning Act 1990,
  (b) Part 2 of the Planning and Compulsory Purchase Act 2004, and
  (c) Part 3 of that Act.

(3) The Mayor may decide that the MDC is to have, in the whole or any portion of the area, the functions conferred on the local planning authority by the provisions mentioned in Part 1 of Schedule 29 to the Local Government, Planning and Land Act 1980.

(4) The Mayor may decide that the MDC is to have, in the whole or any portion of the area, the functions conferred on the relevant planning authority by Schedule 8 to the Electricity Act 1989 so far as applying to applications for consent under section 37 of that Act.

(5) If the Mayor makes a decision under subsection (3), the Mayor may decide that the provisions specified in Part 2 of Schedule 29 to the Local Government, Planning and Land Act 1980 are to have effect, in relation to land in the whole or any portion of the area and to the MDC, subject to the modifications specified in that Part of that Schedule.

(6) The Mayor may, at any time before the order establishing the MDC is made, decide that a decision under any of subsections (2) to (5) (whether as originally made or as varied under this subsection) should be subject to variations specified in the decision under this subsection.

(7) The Mayor may make a decision under any of subsections (2) to (6) only if—
  (a) the Mayor has consulted the persons specified by section 197(4) in relation to the area,
  (b) the Mayor has had regard to any comments made in response by the consultees, and
  (c) in the event that those comments include comments made by the London Assembly or an affected local authority that are comments that the Mayor does not accept, the Mayor has published a statement giving the reasons for the non-acceptance.

  In paragraph (c) "affected local authority" means a person specified by section 197(4) (d), (e), (f) or (g) in relation to the area.

(8) If the Mayor makes a decision under any of subsections (2) to (6), the Mayor must—
  (a) publicise the decision, and
  (b) notify the Secretary of State of the decision.

(9) A decision under subsection (2), or a decision under subsection (6) varying a decision under subsection (2), may make different provision for different portions of the area.

(10) For the purposes of subsection (6) "variation", in relation to a decision, includes a variation that involves—
  (a) revocation of all or part of the decision, or
  (b) substitution of something new for all or part of the decision, including substitution of something wholly unlike what it replaces.

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

### 203 Arrangements for discharge of, or assistance with, planning functions

(1) Where an MDC, as a result of being the local planning authority for purposes of Part 3 of the Town and Country Planning Act 1990 in relation to any area, has functions in place of a London borough council or the Common Council of the City of London, the MDC may make arrangements for the discharge of any of those functions by that council.

(2) Where arrangements are in force under subsection (1) for the discharge of any functions of an MDC by a council—
  (a) that council may arrange for the discharge of those functions by a committee, sub-committee or officer of the council, and
  (b) section 101(2) of the Local Government Act 1972 (delegation by committees and sub-committees) applies in relation to those functions as it applies in relation to the functions of that council.

(3) Arrangements under subsection (1) for the discharge of any functions do not prevent the MDC from exercising those functions.

(4) Subsection (5) applies where an MDC, as a result of being the local planning authority for purposes of Part 2 or 3 of the Planning and Compulsory Purchase Act 2004 in relation to any area, has functions in place of a London borough council or the Common Council of the City of London.

(5) The MDC may seek from that council, and that council may give, assistance in connection with the MDC's discharge of any of those functions.

### 204 Removal or restriction of planning functions

(1) This section applies if an order establishing an MDC ("the MDC") has been made.

(2) The Mayor may decide in relation to a function conferred on the MDC as a result of a decision under section 202(2), (3) or (4)—
  (a) that the MDC is to cease to have the function, whether in all respects or in respects specified in the decision, or
  (b) that the exercise of the function by the MDC is to be subject to restrictions specified in the decision.

(3) If the Mayor makes a decision under subsection (2) ("the new decision"), the Mayor may decide that any provision made under section 198(2) in consequence of a decision under section 202(5) should, in consequence of the new decision, be amended or revoked as specified in the decision under this subsection.

(4) A reference in subsection (2) or (3) to a decision under a provision of section 202 is, where that decision has been varied (whether once or more than once) under section 202(6), a reference to that decision as varied.

(5) If the Mayor makes a decision under subsection (2) or (3), the Mayor must—
  (a) publicise the decision, and
  (b) notify the Secretary of State of the decision.

(6) The Secretary of State must give effect to a decision notified under subsection (5) by exercising the power to amend the order under 198(2) that establishes the MDC (see section 14 of the Interpretation Act 1978).

**Status:** *Point in time view as at 15/01/2012.*
**Changes to legislation:** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

### 205 Powers in relation to infrastructure

(1) An MDC may provide infrastructure.

(2) An MDC may facilitate the provision of infrastructure.

(3) In this section "provide" includes provide by way of acquisition, construction, conversion, improvement or repair (and "provision" is to be read in the same way).

(4) In this section "infrastructure" means—
- (a) water, electricity, gas, telecommunications, sewerage or other services,
- (b) roads or other transport facilities,
- (c) retail or other business facilities,
- (d) health, educational, employment or training facilities,
- (e) social, religious or recreational facilities,
- (f) cremation or burial facilities, and
- (g) community facilities not falling within paragraphs (a) to (f).

*Land functions*

### 206 Powers in relation to land

(1) An MDC may regenerate or develop land.

(2) An MDC may bring about the more effective use of land.

(3) An MDC may provide buildings or other land.

(4) An MDC may carry out any of the following activities in relation to land—
- (a) acquiring, holding, improving, managing, reclaiming, repairing or disposing of buildings, other land, plant, machinery, equipment or other property,
- (b) carrying out building and other operations (including converting or demolishing buildings), and
- (c) creating an attractive environment.

(5) An MDC may facilitate—
- (a) the regeneration or development of land,
- (b) the more effective use of land,
- (c) the provision of buildings or other land, or
- (d) the carrying out of activities mentioned in subsection (4).

(6) In this section—
- (a) a reference to a "building" is a reference to—
  - (i) a building or other structure (including a house-boat or caravan), or
  - (ii) any part of something within sub-paragraph (i);
- (b) "develop" includes redevelop (and "development" includes redevelopment);
- (c) "improve", in relation to buildings, includes refurbish, equip and fit out;
- (d) "provide" includes provide by way of acquisition, construction, conversion, improvement or repair (and "provision" is to be read in the same way).

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

## 207 Acquisition of land

(1) An MDC may by agreement acquire land in its area or elsewhere.

(2) An MDC may acquire land in its area, or elsewhere in Greater London, compulsorily if the Secretary of State authorises it to do so.

(3) An MDC must obtain the consent of the Mayor of London before submitting a compulsory purchase order authorising an acquisition under subsection (2) to the Secretary of State for confirmation.

(4) The power under subsection (2) includes power to acquire new rights over land.

(5) Subsection (6) applies where—
- (a) land forming part of a common, open space or allotment is being acquired under subsection (2), or
- (b) new rights are being acquired under subsection (2) over land forming part of a common, open space or allotment.

(6) The power under subsection (2) includes power to acquire land compulsorily for giving in exchange for that land or those new rights.

(7) Part 1 of Schedule 2 to the Housing and Regeneration Act 2008 (compulsory acquisition of land by the Homes and Communities Agency) applies in relation to the acquisition of land under subsection (2) as it applies in relation to the acquisition of land under section 9 of that Act.

(8) In that Part of that Schedule as applied by subsection (7)—
- (a) references to section 9 of that Act are to be read as references to subsection (2),
- (b) references to the Homes and Communities Agency are to be read as references to the MDC concerned, and
- (c) references to Part 1 of that Act are to be read as references to this Chapter.

(9) The provisions of Part 1 of the Compulsory Purchase Act 1965 (other than section 31) apply, so far as applicable, to the acquisition by an MDC of land by agreement.

(10) In subsection (5)—

"allotment" means any allotment set out as a fuel allotment, or a field garden allotment, under an Inclosure Act;

"common" has the meaning given by section 19(4) of the Acquisition of Land Act 1981;

"open space" means any land which is—
- (a) laid out as a public garden,
- (b) used for the purposes of public recreation, or
- (c) a disused burial ground.

## 208 Powers in relation to acquired land

(1) Schedule 3 to the Housing and Regeneration Act 2008 (powers, in relation to land of the Homes and Communities Agency, to override easements etc, to extinguish public rights of way, and in relation to burial grounds and consecrated land) applies in relation to an MDC and its land as it applies in relation to the Homes and Communities Agency and its land.

**Status:** *Point in time view as at 15/01/2012.*
**Changes to legislation:** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

(2) In that Schedule as applied by subsection (1), references to the Homes and Communities Agency are to be read as references to the MDC concerned.

(3) The power of the Secretary of State under Part 2 of that Schedule (extinguishment of public rights of way) as applied by subsection (1) is exercisable only with the consent of the Mayor.

(4) Schedule 4 to that Act (powers in relation to, and for, statutory undertakers) applies in relation to an MDC and its land as it applies in relation to the Homes and Communities Agency and its land.

(5) In that Schedule as applied by subsection (4)—
   (a) references to the Homes and Communities Agency are to be read as references to the MDC concerned, and
   (b) references to Part 1 of that Act are to be read as references to this Chapter.

### 209 Restrictions on disposal of land

(1) An MDC may not dispose of land for less than the best consideration which can reasonably be obtained unless the Mayor consents.

(2) Subsection (1) does not apply to a disposal by way of a short tenancy if the disposal consists of—
   (a) the grant of a term of not more than 7 years, or
   (b) the assignment of a term which, at the date of assignment, has not more than 7 years to run.

(3) An MDC may not dispose of land which has been compulsorily acquired by it under this Chapter unless the Mayor consents.

(4) Subject to subsections (1) to (3), an MDC may dispose of land held by it in any way it considers appropriate.

### 210 Power to enter and survey land

(1) Sections 17 and 18 of the Housing and Regeneration Act 2008 (power to enter and survey land) apply in relation to an MDC as they apply in relation to the Homes and Communities Agency.

(2) In those sections as applied by subsection (1), references to that Agency are to be read as references to the MDC concerned.

*Other functions*

### 211 Adoption of private streets

(1) Where any street works have been executed on any land in a Mayoral development area which was then or has since become a private street (or part of a private street), the MDC for the area may serve a notice (an "adoption notice") on the street works authority requiring the authority to declare the private street (or part) to be a highway which for the purposes of the Highways Act 1980 is a highway maintainable at the public expense.

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

(2) Subsections (2) to (5) of section 157 of the Local Government, Planning and Land Act 1980 (appeal against corresponding notice served by an urban development corporation, and deemed adoption where no appeal or compliance) apply in relation to an adoption notice under subsection (1) of this section as they apply in relation to an adoption notice under subsection (1) of that section.

(3) Section 157(6) of that Act (interpretation) applies for the purposes of this section.

### 212 Businesses, subsidiaries and other companies

(1) An MDC may carry on any business.

(2) An MDC may with the consent of the Mayor—
  (a) form, or
  (b) acquire interests in,
bodies corporate.

(3) An MDC must ensure that no subsidiary of the MDC engages in an activity which the MDC would not be required or permitted to carry on.

(4) An MDC must ensure that no subsidiary of the MDC—
  (a) borrows from a person other than the MDC, or
  (b) raises money by the issue of shares or stock to a person other than the MDC,
without the consent of the Mayor.

(5) In subsection (1) "business" includes undertaking.

(6) In this section "subsidiary" has the meaning given by section 1159 of the Companies Act 2006.

### 213 Financial assistance

(1) An MDC may, with the consent of the Mayor, give financial assistance to any person.

(2) Financial assistance under this section may be given in any form.

(3) Financial assistance under this section may, in particular, be given by way of—
  (a) grants,
  (b) loans,
  (c) guarantee or indemnity,
  (d) investment, or
  (e) incurring expenditure for the benefit of the person assisted.

(4) Financial assistance under this section may be given on such terms and conditions as the MDC giving it considers appropriate (including provision for repayment, with or without interest).

### 214 Powers in relation to discretionary relief from non-domestic rates

(1) Subsection (2) applies if the Mayor designates a Mayoral development area.

(2) The Mayor may decide that the MDC for the area is to have—

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

(a) in relation to qualifying hereditaments in the area, the function of making decisions (under section 47(3) and (6) of the 1988 Act) to the effect that section 47 of the 1988 Act applies as regards a hereditament, and

(b) in relation to a hereditament as regards which that section applies as a result of a decision made by the MDC, the function of making the determinations mentioned in section 47(1)(a) of the Local Government Finance Act 1988 (determination of amount of discretionary relief).

(3) The Mayor may at any time decide that a decision under subsection (2) should be revoked.

(4) The Mayor may make a decision under subsection (2) or (3) only if—

(a) the Mayor has consulted the persons specified by section 197(4) in relation to the area,

(b) the Mayor has had regard to any comments made in response by the consultees, and

(c) in the event that those comments include comments made by the London Assembly or an affected local authority that are comments that the Mayor does not accept, the Mayor has published a statement giving the reasons for the non-acceptance.

In paragraph (c) "affected local authority" means a person specified by section 197(4)(d), (e), (f) or (g) in relation to the area.

(5) If the Mayor makes a decision under subsection (2) or (3), the Mayor must—

(a) publicise the decision, and

(b) notify the Secretary of State of the decision.

(6) If the Secretary of State receives notification under subsection (5) of a decision, the Secretary of State must give effect to the decision—

(a) when making the order under section 198(2) that establishes an MDC for the area, or

(b) by exercising the power to amend that order (see section 14 of the Interpretation Act 1978).

(7) Exercise by an MDC of functions mentioned in subsection (2) requires the Mayor's consent.

(8) If an MDC has the functions mentioned in subsection (2) it has them in place of the authority that would otherwise have them.

(9) For the purposes of subsection (2), a hereditament is a "qualifying hereditament" on a day if neither—

(a) section 43(6) of the 1988 Act (charities and community amateur sports clubs), nor

(b) section 47(5B) of the 1988 Act (certain organisations not established or conducted for profit),

applies on that day.

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

*Dissolution*

### 215 Reviews

It is the duty of the Mayor to review, from time to time, the continuing in existence of any existing MDCs.

### 216 Transfers of property, rights and liabilities

(1) The Mayor may at any time make a scheme (a "transfer scheme") transferring to a permitted recipient, upon such terms as the Mayor considers appropriate, any property, rights or liabilities which are for the time being vested in an MDC.

(2) A transfer scheme may provide for a transfer to a person within paragraph (d), (e) or (f) of the definition of "permitted recipient" in subsection (4) only if the person consents.

(3) The Mayor must publish a transfer scheme as soon after it is made as is reasonably practicable.

(4) In this section—

"company" means—

(a) a company within the meaning given by section 1(1) of the Companies Act 2006, or

(b) a society registered or deemed to be registered under the Co-operative and Community Benefit Societies and Credit Unions Act 1965 or the Industrial and Provident Societies Act (Northern Ireland) 1969;

"functional body" has the meaning given by section 424(1) of the Greater London Authority Act 1999;

"permitted recipient" means—

(a) the Greater London Authority,

(b) a functional body other than the MDC concerned,

(c) a company that is a subsidiary of the Greater London Authority,

(d) a London borough council,

(e) the Common Council of the City of London, or

(f) any other person;

"subsidiary" has the meaning given by section 1159 of the Companies Act 2006.

### 217 Dissolution: final steps

(1) Subsection (2) applies if no property, no rights and no liabilities are vested in an MDC ("the MDC").

(2) The Mayor may request the Secretary of State to revoke the order under section 198(2) which established the MDC.

(3) If the Secretary of State receives a request under subsection (2), the Secretary of State must make an order giving effect to the request.

(4) Where the Secretary of State makes an order under subsection (3)—

(a) the MDC is dissolved on the coming into force of the order, and

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

(b) the Mayor must revoke the designation of the Mayoral development area for which the MDC was established.

(5) Where the Mayor makes a revocation under subsection (4)(b), the Mayor must—
(a) publicise the revocation, and
(b) notify the Secretary of State of the revocation.

*General*

**218 Transfer schemes: general provisions**

(1) In this section—

"transfer scheme" means a scheme under section 200(1) or (4) or 216(1);

"transferee", in relation to a transfer scheme, means the person to whom property, rights or liabilities are transferred by the scheme;

"transferor", in relation to a transfer scheme, means the person from whom property, rights or liabilities are transferred by the scheme.

(2) The things that may be transferred under a transfer scheme include—
(a) property, rights or liabilities that could not otherwise be transferred;
(b) property acquired, and rights and liabilities arising, after the making of the scheme.

(3) A transfer scheme may make consequential, supplementary, incidental or transitional provision and may in particular—
(a) make provision for certificates issued by the Secretary of State to be conclusive evidence that property has been transferred;
(b) create rights, or impose liabilities, in relation to property or rights transferred;
(c) make provision about the continuing effect of things done (or having effect as if done) by or in relation to the transferor in respect of anything transferred;
(d) make provision about the continuation of things (including legal proceedings) in the process of being done by, on behalf of or in relation to the transferor in respect of anything transferred;
(e) make provision for references to the transferor in an instrument or other document in respect of anything transferred to be treated as references to the transferee;
(f) make provision for the shared ownership or use of property.

(4) The Transfer of Undertakings (Protection of Employment) Regulations 2006 (S.I. 2006/246) apply to a transfer under a transfer scheme where the transfer relates to rights or liabilities under a contract of employment (whether or not it is a relevant transfer for the purposes of those regulations).

(5) A transfer scheme may provide—
(a) for modification by agreement;
(b) for modifications to have effect from the date when the original scheme came into effect.

(6) In this section "rights" and "liabilities" include rights, or (as the case may be) liabilities, in relation to a contract of employment.

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

### 219 Guidance by the Mayor

(1) The Mayor may give guidance to an MDC as to the exercise of any of the MDC's functions.

(2) Before giving guidance under this section, the Mayor must consult such persons as the Mayor considers appropriate.

(3) The Mayor must publish any guidance given under this section as soon as reasonably practicable after giving it.

(4) The Mayor may revoke guidance given under this section.

(5) The Mayor must—
- (a) consult, before revoking guidance given under this section, such persons as the Mayor considers appropriate, and
- (b) publish the fact that guidance given under this section has been revoked as soon as reasonably practicable after the revocation of the guidance.

(6) An MDC must, in exercising its functions, have regard to any guidance given to it under this section that is for the time being in force.

(7) References in this section to giving guidance include references to giving guidance by varying existing guidance.

### 220 Directions by the Mayor

(1) The Mayor may give an MDC general or specific directions as to the exercise of any of the MDC's functions.

(2) The Mayor must publish any directions given under this Chapter by the Mayor as soon as reasonably practicable after giving them.

(3) The Mayor—
- (a) may revoke any directions given under this Chapter by the Mayor, and
- (b) must publish the fact that directions given under this Chapter have been revoked as soon as reasonably practicable after the revocation.

(4) An MDC must comply with any directions given by the Mayor under this Chapter that are in force in relation to the MDC.

(5) Subsections (2) and (3)(b) do not apply to directions given under paragraph 8(1) of Schedule 21.

(6) References in this Chapter to the Mayor giving directions include references to the Mayor giving directions by varying existing directions.

### 221 Consents

(1) A relevant consent may be given—
- (a) unconditionally or subject to conditions, and
- (b) generally or specifically.

(2) The Mayor may vary or revoke a relevant consent except in the case of anything already done, or agreed to be done, on the authority of it.

***Status:*** *Point in time view as at 15/01/2012.*
***Changes to legislation:*** *Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

(3) A variation or revocation under subsection (2) does not have effect until the Mayor has served notice of it on the person to whom the relevant consent was given.

(4) In this section "relevant consent" means a consent of the Mayor required under this Chapter.

### 222 Consequential and other amendments

Schedule 22 (Mayoral development corporations: consequential and other amendments) has effect.

**Status:**
Point in time view as at 15/01/2012.

**Changes to legislation:**
Localism Act 2011, CHAPTER 2 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.