

# Localism Act 2011

## **2011 CHAPTER 20**

## PART 8

## LONDON

## **CHAPTER 3**

## GREATER LONDON AUTHORITY GOVERNANCE

### 223 Delegation of functions by Ministers to the Mayor

- (1) The Greater London Authority Act 1999 is amended as follows.
- (2) After section 39 insert—

"Delegation to Mayor of Ministers' functions

## **39A Delegation by Ministers**

- (1) A Minister of the Crown may, to such extent and subject to such conditions as that Minister thinks fit, delegate to the Mayor any of that Minister's eligible functions.
- (2) A function is eligible for the purposes of subsection (1) above if—
  - (a) it does not consist of a power to make regulations or other instruments of a legislative character or a power to fix fees or charges, and
  - (b) the Secretary of State considers that it can appropriately be exercised by the Mayor.
- (3) No delegation under subsection (1) above, and no variation of a delegation under subsection (1) above, may be made without the agreement of the Mayor.

- (4) Before making or varying a delegation under subsection (1) above, a Minister of the Crown must consult—
  - (a) each London borough council,
  - (b) the Common Council, and
  - (c) the Assembly.
- (5) A delegation under subsection (1) above may be revoked at any time by any Minister of the Crown.
- (6) Section 38 above does not apply in relation to functions delegated under subsection (1) above."
- (3) In section 409 (schemes for the transfer of property, rights and liabilities)—
  - (a) after subsection (1) (Ministers may make schemes transferring property etc of the Crown) insert—
    - "(1A) A Minister of the Crown may make a scheme for the transfer from the Authority to the Crown of such property, rights or liabilities as the Minister of the Crown may consider appropriate in consequence of the revocation of a delegation under section 39A(1) above of a function of any Minister of the Crown.", and
  - (b) in subsections (6) and (7) (provision that may be included in scheme under subsection (1) or (2)) after "subsection (1)" insert ", (1A)".

# **224** Authority may be required to carry on commercial activities through a taxable body

- (1) The Greater London Authority Act 1999 is amended as follows.
- (2) After section 34 insert—

# **\*\*34A Restriction on exercise of certain powers except through a taxable body**

- (1) The Authority may carry on specified activities for a commercial purpose only if it does so—
  - (a) through a company that is a subsidiary of the Authority, or
  - (b) in pursuance of an authorisation under section 38(1), through—
    - (i) a body that is specified in section 38(2) and is within the charge to corporation tax, or
    - (ii) a company that is a subsidiary of a body specified in section 38(2).
- (2) Subsection (3) applies if—
  - (a) the Authority carries on a specified activity for a commercial purpose otherwise than as permitted by subsection (1), and
  - (b) the activity is actually carried on by a body (whether the Authority or another) that, disregarding this section, is in respect of the carrying-on of the activity exempt from corporation tax and income tax.
- (3) The body mentioned in subsection (2)(b) is to be treated in respect of the carrying-on of the activity as not being a local authority for the purposes of—

- (a) section 984 of the Corporation Tax Act 2010 (exemption of local authorities from corporation tax),
- (b) section 838 of the Income Tax Act 2007 (exemption of local authorities from income tax), and
- (c) section 271 of the Taxation of Chargeable Gains Act 1992 (exemption of local authorities from capital gains tax).

#### (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 Cooperative and Community Benefit Societies and Credit Unions Act 1965 or the Industrial and Provident Societies Act (Northern Ireland) 1969, and

"specified activity" means an activity specified in an order made by the Secretary of State with the consent of the Treasury."

(3) In section 420(8) (orders subject to annulment) after the entry for section 25 insert— "section 34A;".

## 225 The London Environment Strategy

(1) Before section 352 of the Greater London Authority Act 1999 insert—

"The Mayor's Environment Strategy for London

### **351A The London Environment Strategy**

- (1) The Mayor shall prepare and publish a document to be known as the "London Environment Strategy" ("the Strategy").
- (2) The Strategy must contain a general assessment by the Mayor of the environment in Greater London, so far as relevant to the functions of the Authority or of the Mayor.
- (3) The Strategy must contain provisions dealing with the Mayor's policies and proposals in relation to each of the following matters in relation to Greater London—
  - (a) biodiversity;
  - (b) municipal waste management;
  - (c) climate change mitigation and energy;
  - (d) adaptation to climate change;
  - (e) air quality; and
  - (f) ambient noise.
- (4) The provisions of the Strategy dealing with a matter specified in a paragraph of subsection (2) must also contain anything required to be included in them by any other provision of this Act.

- (5) The Strategy may also include provisions dealing with the Mayor's policies and proposals in relation to any other matter relating to the environment in Greater London.
- (6) In preparing or revising the provisions of the Strategy dealing with a matter mentioned in subsection (3), the Mayor's duty under section 42(1)(e) applies as if it were a duty to consult any person or body whom the Mayor considers it appropriate to consult in relation to those provisions (and section 42(2) applies accordingly).
- (7) Where the Strategy is revised, the Mayor must publish it as revised.
- (8) In this Act references to the London Environment Strategy include, unless the context otherwise requires, a reference to the Strategy as revised.

### 351B Guidance

- (1) The Secretary of State may give to the Mayor guidance—
  - (a) about the content of the London Environment Strategy;
  - (b) in relation to the preparation or revision of that Strategy.
- (2) The guidance that may be given under subsection (1)(a) includes guidance as to matters which the Secretary of State considers the Mayor should, or should not, consider dealing with by formulating policies and proposals under section 351A(5).
- (3) The guidance that may be given under subsection (1)(b) includes—
  - (a) guidance specifying or describing the bodies or persons whom the Secretary of State considers the Mayor should consult in preparing or revising the London Environment Strategy or, as the case may be, the provisions dealing with a matter specified in the guidance;
  - (b) guidance as to the evidence of environmental change or its consequences, or the predictions of environmental change or its consequences, to which the Secretary of State considers the Mayor should have regard in preparing or revising that Strategy or, as the case may be, the provisions dealing with a matter specified in the guidance.
- (4) In preparing or revising the London Environment Strategy the Mayor must have regard to any relevant guidance given under this section.

#### 351C Directions as to the content of the London Environment Strategy

- (1) Where the Secretary of State considers that any of the conditions specified in subsection (2) is satisfied in relation to any provisions of the London Environment Strategy, the Secretary of State may give the Mayor a direction as to the content of those provisions.
- (2) The conditions are—
  - (a) that the provisions are inconsistent with any policies announced by Her Majesty's government with respect to the matters to which they relate and the inconsistency would have a detrimental effect on achieving any of the objectives of those policies;

- (b) that the provisions or their implementation are likely to be detrimental to any area outside Greater London;
- (c) that the provisions are inconsistent with any EU obligation of the United Kingdom.
- (3) A direction under this section may require the Mayor to make specified revisions of the London Environmental Strategy.
- (4) The power of the Secretary of State to give a direction under this section may only be exercised after consultation with the Mayor.
- (5) Where the Secretary of State gives a direction under this section, the Mayor must comply with the direction."
- (2) Schedule 23 (which contains minor and consequential amendments to the Greater London Authority Act 1999 relating to the London Environment Strategy) has effect.

#### 226 Abolition of Mayor's duty to prepare state of the environment reports

Section 351 of the Greater London Authority Act 1999 (which provides for four-yearly reports by the Mayor on the environment in Greater London) ceases to have effect.

### 227 Mayoral strategies: general duties

- (1) Section 41 of the Greater London Authority Act 1999 (general duties of the Mayor in relation to his strategies) is amended as follows.
- (2) In subsection (5)(a), for "and with such international obligations" substitute ", with the EU obligations of the United Kingdom and with such other international obligations of the United Kingdom".
- (3) After subsection (9) insert—
  - "(9A) In exercising any function the Mayor must have regard to any strategy mentioned in subsection (1) which is relevant to the exercise of that function."
- (4) Subsection (10) ceases to have effect.

#### 228 Simplification of the consultation process for the Mayor's strategies

- Section 42A of the Greater London Authority Act 1999 (which requires the Mayor to follow a two stage process in preparing or revising a strategy to which section 42 applies) ceases to have effect.
- (2) In section 335 of that Act (public participation in preparation of the spatial development strategy)—
  - (a) subsections (1) to (1B) cease to have effect,
  - (b) in subsection (2), for the words from the beginning to "finally" substitute "Before", and
  - (c) in subsection (3), after paragraph (a) insert—
    - "(aa) the Assembly and the functional bodies;".

### 229 London Assembly's power to reject draft strategies

Before section 43 of the Greater London Authority Act 1999 (publicity and availability of strategies) insert—

#### "42B Assembly's power to reject draft strategies

- (1) This section applies where the Mayor has prepared, and is ready to publish, a draft of any of the strategies to which section 41 applies (including a revised version of the strategy).
- (2) But this section does not apply to a revised version of a strategy containing only revisions which—
  - (a) are specified in a direction as to the contents of the strategy which is given to the Mayor under this Act (or which the Mayor considers are necessary in consequence of any revisions so specified); or
  - (b) are not so specified but the Mayor considers to be necessary to comply with such a direction.
- (3) Before publishing the strategy (or, in the case of the housing strategy, before submitting the draft to the Secretary of State) the Mayor must lay a copy of the draft before the Assembly in accordance with the standing orders of the Authority.
- (4) The Mayor must not publish the strategy (or, in the case of the housing strategy, submit the draft to the Secretary of State) if, within the period of 21 days beginning with the day on which the copy is laid before the Assembly, the Assembly resolves to reject the draft.
- (5) A motion for the Assembly to reject a draft strategy—
  - (a) must be considered at a meeting of the Assembly throughout which members of the public are entitled to be present; and
  - (b) is not carried unless it is agreed to by at least two thirds of the Assembly members voting."

#### 230 Sharing of administrative etc services by London authorities

- (1) Section 401A of the Greater London Authority Act 1999 (sharing of administrative etc services by the Greater London Authority and functional bodies) is amended as follows.
- (2) In subsection (1) (definition of "constituent body")-
  - (a) for "constituent body" substitute "relevant London authority", and
  - (b) at the end of paragraph (b) insert ",
    - (c) the London Pensions Fund Authority,
    - (d) the London Transport Users' Committee,
    - (e) the Commissioner of Police of the Metropolis, and
    - (f) such person or body falling within subsection (1A) as the Secretary of State may specify by order."
- (3) After that subsection insert—

- "(1A) A person or body falls within this subsection if the person or body exercises functions of a public nature in relation only to—
  - (a) Greater London,
  - (b) a part of Greater London, or
  - (c) a part of England including Greater London or a part of Greater London."
- (4) In subsection (2) (power of constituent bodies to enter into arrangements for provision of administrative etc services) for "constituent bodies" substitute "relevant London authorities".
- (5) In subsection (3) (arrangements may include discharge of functions by one constituent body on behalf of another)—
  - (a) for "constituent bodies" substitute "relevant London authorities", and
  - (b) for "constituent body" substitute "relevant London authority".
- (6) In subsection (4) (power of constituent bodies to form joint committees) for "constituent bodies" substitute "relevant London authorities".
- (7) In subsection (5) (joint committee to be treated as separate from constituent bodies for purposes of section)—
  - (a) for "constituent body" substitute "relevant London authority", and
  - (b) for "constituent bodies" substitute "relevant London authorities".
- (8) After subsection (6) insert—
  - "(6A) The Secretary of State must consult a person or body before making an order under subsection (1)(f) specifying that person or body."
- (9) In section 420(8) of that Act (orders subject to annulment) after the entry for section 395 insert "section 401A(1)(f);".

#### 231 Transport for London: access to meetings and documents etc

- (1) Part 5A of the Local Government Act 1972 (access to meetings and documents) is amended as follows.
- (2) Amend section 100J (application of Part 5A to bodies other than principal councils) in accordance with subsections (3) to (6).
- (3) In subsection (1) (list of authorities treated as principal councils for the purposes of the Part) after paragraph (bd) insert—

"(be) Transport for London;".

- (4) In subsection (3) (reference in section 100A(6)(a) to council's offices includes other premises at which meeting to be held) after "(bd)," insert "(be),".
- (5) After subsection (3) insert—
  - "(3YA) In its application by virtue of subsection (1)(be) above in relation to Transport for London, section 100E(3) has effect as if for paragraph (bb) there were substituted—
    - "(bb) a committee of Transport for London (with "committee", in relation to Transport for London, here having the same

meaning as in Schedule 10 to the Greater London Authority Act 1999); or""

- (6) After subsection (4A) insert—
  - "(4AA) In its application by virtue of subsection (1)(be) above in relation to Transport for London, section 100G shall have effect—
    - (a) with the substitution for subsection (1)(a) and (b) of—
      - "(a) the name of every member of the council for the time being; and
      - (b) the name of every member of each committee or subcommittee of the council for the time being.", and
    - (b) with the insertion in subsection (2)(b) after "exercisable" of ", but not an officer by whom such a power is exercisable at least partly as a result of sub-delegation by any officer"."
- (7) In section 100K(1) (interpretation of Part 5A) in the definition of "committee or sub-committee of a principal council" for "section 100J(3ZA)(b)" substitute "section 100J(3YA), (3ZA)(b)".