



House of Commons  
Communities and Local  
Government Committee

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**Work of the  
Committee in 2008–09**

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**First Report of Session 2009–10**

*Report, together with formal minutes*

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## Communities and Local Government Committee

The Communities and Local Government Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Communities and Local Government and its associated bodies.

### Current membership

Dr Phyllis Starkey MP (*Labour, Milton Keynes South West*) (Chair)  
Sir Paul Beresford MP (*Conservative, Mole Valley*)  
Mr Clive Betts MP (*Labour, Sheffield Attercliffe*)  
John Cummings MP (*Labour, Easington*)  
Andrew George MP (*Liberal Democrat, St Ives*)  
Mr Greg Hands MP (*Conservative, Hammersmith and Fulham*)  
Anne Main MP (*Conservative, St Albans*)  
Dr John Pugh MP (*Liberal Democrat, Southport*)  
Alison Seabeck MP (*Labour, Plymouth Davenport*)  
Andy Slaughter MP (*Labour, Islington South and Finsbury*)  
Mr Neil Turner MP (*Labour, Wigan*)

### Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via [www.parliament.uk](http://www.parliament.uk).

### Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at [www.parliament.uk/clgcom](http://www.parliament.uk/clgcom).

### Committee staff

The current staff of the Committee are Huw Yardley (Clerk of the Committee), Sarah Ioannou (Second Clerk), Josephine Willows (Inquiry Manager), Emma Gordon (Committee Specialist), Lorna Horton (Senior Committee Assistant), Nicola McCoy (Committee Assistant), Stewart McIlvenna (Committee Support Assistant), and Hannah Pearce (Select Committee Media Officer).

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# 1 Introduction

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1. The purpose of this Report is to provide an account of the Communities and Local Government Committee's activities during Session 2008–09. As well as serving as a progress report to the Liaison Committee, we hope this Report will also prove a useful reference source to those with a general interest in the work of our Committee, and to those with a wider interest in how Parliament carries out its scrutiny functions.

2. Our work this Session has been dominated by the inquiry we began at the very end of last Session and which we entitled *The Balance of Power: central and local government*. This inquiry, which followed the March 2007 Lyons report into local government,<sup>1</sup> goes to the heart of the work not only of the department we scrutinise, Communities and Local Government, but of many other government departments too. Our report, published in May 2009, addressed some fundamental questions about the governance and constitution of this country.

3. We have not, however, been concerned only with grand constitutional questions. As our report *The Balance of Power* pointed out, that inquiry addressed issues which affect individuals and their local communities very directly. Other inquiries we have undertaken this year have been similarly grounded in the experience of local people. In *Market Failure?: can the traditional market survive?*, we looked at local markets, one of the oldest forms of commerce. Our inquiry into *The Supporting People programme* considered services for some of the most vulnerable in society. And our ongoing scrutiny of the Government's response to the effect of the economic downturn on its housing policy bears directly on one of the most basic human needs: housing.

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<sup>1</sup> Lyons inquiry into local government: Place-shaping: a shared ambition for the future of local government, Sir Michael Lyons (London 2007).

## 2 Overview of the Committee's activities

### Remit of the Committee

4. Under Standing Order No. 152, our remit covers the wide range of policy areas that fall within the departmental responsibility of the Department for Communities and Local Government (CLG): housing; planning; local government; urban regeneration; fire and resilience; and community cohesion. As we reported last Session, we have by agreement with the Minister for Equality also assumed oversight of the Government Equalities Office and its associated public bodies.<sup>2</sup>

### Inquiries carried out this Session

5. As is apparent from the introduction to this Report, our work this session, as in previous sessions, has continued to reflect the wide remit of the Department whose work we scrutinise. As well as those already noted, our major inquiries in 2008–09 included *Local authority investments*; *Need and impact: planning for town centres*; and our continuing inquiry *Beyond Decent Homes*. We also launched an ongoing inquiry into the Government's programme for preventing violent extremism. A full list of subjects into which we inquired is set out in the table below:

**Table 1: Subjects covered by the Communities and Local Government Committee, 2008–09**

Subject	Evidence sessions held in 2008–09	Output
Housing and the Credit Crunch	1	Third Report: <i>Housing and the Credit Crunch</i> HC 101 (February 2009)
Appointment of the Chair of the Infrastructure Planning Commission (IPC)	1	Fourth Report: <i>Appointment of the Chair of the Infrastructure Planning Commission</i> HC 354 (March 2009)
New Towns	0	Fifth Report: <i>New Towns Follow-Up—Government Response to the Ninth Report of the Committee, Session 2007–08</i> HC 253 (May 2009)

<sup>2</sup> Communities and Local Government Committee, First Report of Session 208-09, Work of the Committee in 2007-08, HC 102, para 4 and Appendix.

Balance of Power	3	Sixth Report: <i>The Balance of Power: Central and Local Government</i> HC 33 (May 2009)
Local authority investments	3	Seventh Report: <i>Local authority investments</i> HC 164 (June 2009)
Housing and the credit crunch - follow up	1	Eighth Report: <i>Housing and the credit crunch: follow-up</i> HC 568 (July 2009)
Traditional retail markets	4	Ninth Report: <i>Market failure?: can the traditional market survive?</i> HC 308 (July 2009)
Need and impact: planning for town centres	2	Tenth Report: <i>Need and impact: planning for town centres</i> HC 517 (July 2009)
Appointment of Deputy Chairs of the IPC	1	Eleventh Report: <i>Appointment of the Deputy Chairs of the Infrastructure Planning Commission</i> HC 749 (July 2009)
Appointment of the Local Government Ombudsman and Vice-Chair of the Commission for Local Administration in England	1	Twelfth Report: <i>Appointment of the Local Government Ombudsman and Vice-Chair of the Commission for Local Administration in England</i> HC 1012 (October 2009)
Supporting People programme	4	Thirteenth Report: <i>The Supporting People Programme</i> HC 649 (November 2009)
Review of Housing Finance	1	Oral evidence July 2009 HC 915-i
Departmental Annual Report 2009	2	Oral evidence October 2009
Beyond Decent Homes	3	Oral evidence October and November 2009

6. In addition to holding oral evidence sessions at Westminster, we undertook four UK visits. We made two visits to support our inquiry *Market Failure?: Can the traditional market survive?* Our first was to London, to Ridley Road Market in Hackney and Chapel Market in Islington. There we heard about the challenges caused by rules and regulations

for London markets, which were felt to be more restrictive than for elsewhere in the country. We then visited Leicester Market, which a public poll had recently voted Britain's favourite market, where we learned about current challenges for that market.

7. A visit, attended by three of our members, was made to the Olympics site in East London. This visit was invaluable in helping us to appreciate the scale of the Olympic building project and enabled the Committee to maintain a watching brief on the regeneration legacy of the 2012 Olympics. We plan to repeat the visit in spring 2010.

8. Finally, two of our members visited drug and alcohol treatment centres in Brixton and a walk-in homelessness prevention service in Southwark as part of the inquiry into the 'Supporting People' programme. Participating Members heard from both staff and users of these centres about the difference which housing-related support services can make to people's lives. They also met officials from the London Borough of Lambeth to learn how council services can work in partnership with drug and alcohol rehabilitation programmes to provide secure housing and support for local people.

## 3 The Committee's effectiveness

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9. The Liaison Committee's core objectives and tasks for departmental select committees provide a framework for examining the effectiveness of our work. The four core objectives are to examine the policy (A), expenditure (B) and administration (C) of the Department, and to assist the House in debate and decision (D). In addition to those core objectives, the Liaison Committee also set 10 core tasks to assist in monitoring the work of departmental select committees. A table showing how our work this year has addressed these tasks appears at Annex 1. A fuller account of our activities in relation to the core objectives may be found below.

### Examining departmental policy

10. The central focus of our work was on examining current and possible future government policy, relating primarily to the departmental responsibilities of CLG. Although we focus on the policy responsibilities of CLG, the cross-cutting nature of the issues for which the Department is responsible means that we inevitably touch upon a broad range of government policy. This session we have particularly found ourselves moving into territory covered by our colleagues on the Treasury Committee, as we considered the measures necessary to deal with the effect of the credit crunch on housing policy, and the role of the Financial Services Authority in regulating local authority treasury management advisers. Our inquiry into traditional retail markets, meanwhile, noted the potentially beneficial effects of markets for a range of government policy, from health to the economy.

### Housing

#### *Housing and the credit crunch*

11. Over the course of summer 2008 it became increasingly apparent that a major preoccupation of CLG's work this year would need to be addressing the effect of the credit crunch on its housing policies. The ability of the Government to achieve its ambition of "everyone to have access to a decent home at a price they can afford, in a place where they want to live and work" was already being questioned before the economic downturn, and is now certainly at risk of failure in the new economic circumstances. Our inquiry into *Housing and the Credit Crunch* studied the achievement of the Government's housebuilding targets, both for market and for social housing; the financial viability and ongoing business of housing associations; and measures to help existing and prospective homeowners affected by the credit crunch. We concluded that the steps the Government was taking towards meeting the challenges posed by the economic downturn were welcome, but that further action was needed. In particular, we found that CLG, both at official and Ministerial level, needed to maintain pressure on the Treasury to ensure the measures to revive the mortgage markets were implemented as soon as possible. We also recommended that local authorities develop a comprehensive and imaginative strategy for meeting housing needs in their area and take a comprehensive approach to making advice available to people in their area on the options available. The Government's response to our Report was broadly positive.

12. Throughout our Report, we indicated that we would return to the subject later in the year. This we duly did, and our second housing Report, *Housing and the credit crunch: follow-up* revisited the subject and studied the Government's housing provision in the 2009 Budget. We reiterated our support for the Government's housing targets and the importance of capacity retention in the housebuilding sector. The availability of private mortgage finance is crucial, and we were told that the key to unlocking that finance was the Treasury's asset-backed guarantee scheme. We again recommended that CLG Ministers and officials keep up the pressure on the Treasury to bring forward new measures to get the mortgage markets moving. We also looked beyond the immediate problems of the current housing market, and recommended that the Government address some of the long-term questions of housing policy, such as the balance of tenures, which had been moved to the back burner during this period of economic turbulence. We continued to pursue these issues in our session with Ministers in November on CLG's Departmental Annual Report, and will have more to say in our report on that inquiry.<sup>3</sup>

### *Decent Homes*

13. We launched our inquiry *Beyond Decent Homes* on 22 July. In the context of our predecessor Committee's Report *Decent Homes* of May 2004, we decided that it was an appropriate time to scrutinise the Government's performance against its target to improve decency levels in social and private sector housing by 2010. We also felt it was necessary to inquire into the Government's plans after 2010: would the programme be continued and enhanced, or another backlog of repairs be allowed to build up? We have received over 50 submissions from interested parties and taken oral evidence on five occasions so far from a variety of social and private sector interlocutors. We have also made a visit in the current Session to Stockport, hosted by Stockport Metropolitan Borough Council and its Arms Length Management Organisation, Stockport Homes. We expect to report early in 2010.

### *Council housing finance*

14. Meanwhile, we took the opportunity to examine another aspect of emerging Government policy, on *council housing finance*. A long-running review of this crucial aspect of housing and local government finance policy finally reported in July this year, and the Government came forward with proposals for fundamental change in the way in which council housing is financed.<sup>4</sup> Given the extensive review which had been undertaken by the Government and the consultation it had carried out, we did not consider a full inquiry appropriate: instead, we invited the Minister to appear before us to explain and justify his conclusions.<sup>5</sup> We maintain our interest in this area of policy and await keenly the results of the consultation on the Government's proposals.

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3 Oral evidence on CLG's Departmental Annual Report taken on Monday 2 November 2009 (HC (2008-09) 1038-ii), Q190ff.

4 Reform of council housing finance: Consultation, Department for Communities and Local Government, July 2009.

5 Oral evidence on the Review of council housing finance taken on Monday 13 July 2009 (HC (2008-09) 915-i).

## Local government

### *Relationship between central and local government*

15. As already mentioned, the centrepiece of our work this year has been our inquiry and report *The Balance of Power: central and local government*. The inquiry tapped in to both the constitutional reform and the “localist” agenda, considering the case for granting local government greater powers and responsibilities for the shaping of local areas, and means of entrenching its position in the governance system of this country. Our Report sought both to scrutinise the work the Government was already doing—finding a substantial mismatch between the Government’s own view of its progress and those held by other stakeholders—and to lead the debate on how policy in this area could be developed further. We recommended powers for local authorities to commission health and policing services in their local areas; further cultural change within central government to facilitate a lasting shift towards a more decentralised balance of power structure; and consideration of options for allowing local government to raise more of its own money. We also recommended a constitutional settlement to put the European Charter of Local Self-Government on a statutory basis; and the creation of a Joint Committee of both Houses to oversee the new constitutional arrangements.

16. The Government’s response so far—by agreement the Government responded only to some of our recommendations,<sup>6</sup> and we await the conclusion of analysis of the responses to the Government’s *Strengthening Local Democracy* consultation for a response to the rest—has been underwhelming, though we note that the creation of a Joint Committee formed part of the proposals in *Strengthening Local Democracy*. We recognise, however, that we are playing a long game. The sort of change which we recommend in *The Balance of Power* will not come overnight, or even in the few months it takes for the Government to produce a formal response to our report. To move the debate further forward and encourage wider consideration of our conclusions, we hosted a seminar in November, held in conjunction with the London Councils representative organisation, to bring together some of the leading players to discuss the conclusions of our Report. Meanwhile we were encouraged by the response of the new Secretary of State for Communities and Local Government to our questioning on this subject during our inquiry into CLG’s Departmental Annual Report, which suggested that the Government may be prepared to go further with the sorts of change we recommended.<sup>7</sup> We will be watching developments with interest, but do not intend to remain passive observers of the process. These changes will require sustained political will, and one of our roles will be to keep up the pressure on the Government to act, and go on acting, to decentralise power and strengthen our democracy.

### *Local authority investments*

17. Our other examination of policy in the local government field was of a very different nature. The sudden and dramatic collapse of Iceland’s entire banking system in October

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6 Government response to the Communities and Local Government Select Committee report into the balance of power: central and local government, Cm 7712.

7 HC (2008-09) 1038-ii, Q157ff.

2009 thrust the hitherto obscure world of *local authority investments* into the public gaze. Local authorities invest around £30 billion of their cash reserves annually, yet local authority investment practices appeared under-regulated and little audited. We launched an inquiry soon after the collapse, not simply to focus on the Icelandic banks, but to study in detail the esoteric world of local authority treasury management.

18. Following the potential loss of up to £1bn of local authority cash in the failed Icelandic banks, we were very far from being the only ones scrutinising this area of local government practice. Nevertheless, we found that the application of a political perspective to events brought a valuable extra dimension to the debate. First, by endorsing the findings of the Audit Commission’s inquiry into the Icelandic bank collapse,<sup>8</sup> we were able to bring some credibility to their conclusions, which had been called into question as a result of the Commission’s own potential losses of up to £10m in the Icelandic banks. We were also able to scrutinise the Audit Commission’s own role in the audit of local authority treasury management practices. Second, the appearance before us of private sector local authority treasury management advisers exposed confusion, and perhaps some deliberate ambiguity, about what services they offer, and the need for local authorities to treat these services with much greater care than had hitherto been the case. Finally, we considered the role of the Financial Services Authority, and—after some toing and froing with the Authority<sup>9</sup>—have identified a gap in the regulation of treasury management advisers which may need to be addressed. We will return to this subject following the Authority’s response to the follow-up letter from our Chair sent in the wake of its formal response to our Report.

## Planning

### Planning for town centres

19. We, and our predecessor Committees, have a longstanding interest in planning for town centres. We last considered the issue in 2004, when we discussed with Ministers a range of issues relating to the direction of Departmental thinking ahead of the publication of the existing Planning Policy Statement 6 (PPS6) in 2005.<sup>10</sup> We were therefore keen to consider the implications of the Government’s plan, arising out of the Barker review of land-use planning,<sup>11</sup> to remove the stand-alone “need test” from town centre planning policy. We took evidence on that proposal in May, during the consultation period on the draft new Planning Policy Statement 4: *Planning for prosperous economies*, which was to incorporate the revised version of policy previously contained in PPS6, and reported in July to meet the consultation deadline.

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8 Audit Commission, Risk and return, English local authorities and Icelandic Banks, Cross-cutting National report, March 2009.

9 HC 164, paras 116-120; First Special Report, Session 2008-09, Local authority investments: Government, CIPFA, FSA and Audit Commission Response to the Committee’s Seventh Report of Session 2008-09 (HC 1013).

10 Twelfth Report of the Office of the Deputy Prime Minister: Housing, Planning, Local Government and the Regions Committee, Session 2003-04, Draft Planning Policy Statement 6: Planning for Town Centres (HC 952).

11 Kate Barker, Barker Review of Land Use Planning: Final Report – Recommendations, December 2006.

20. In our report, *Need and impact: planning for town centres*,<sup>12</sup> we concluded that the case had not been made for the removal of the “need test”, and recommended that it be retained as a stand-alone test alongside the new “impact assessment framework” under which plans for development affecting town centres were to be considered. Regrettably, the Government rejected our conclusions, and intends to proceed with the removal of the “need test” as a stand-alone test in town centre planning policy; albeit that the Department insists that need will continue to be considered in the new “impact assessment framework”. The Government’s response was, however, more positive in respect of our conclusions and recommendations about the monitoring of the changes, which will be crucial in ensuring that their effect is to enhance the protection of town centres, as the Government claims. We recommended in our Report that our successors in the next Parliament consider the changes again 18 months to two years after their introduction.

### *Skills and labour shortages in planning*

21. *Need and impact* reiterated a number of the recommendations which we made in a report of last session, *Planning Matters—Labour Shortages and Skills Gaps*.<sup>13</sup> Although, as we noted last year, the Government’s response to that report accepted a number of our recommendations, we have been disappointed with progress since then. The Chair of the Committee wrote to the Minister for Planning in July ahead of the Ministerial session in November on the Departmental Annual Report raising a number of concerns, particularly about the performance of the Academy for Sustainable Communities (now the Homes and Communities Agency Academy). Regrettably, and despite his reply to the Chair’s July letter, the Minister appeared largely unaware of those concerns when he appeared before us on 2 November and was unconvincing in his replies to our questioning.<sup>14</sup> We are continuing to pursue this issue, which will be crucial if the skills and manpower are to be available to local authorities to enable appropriate development to assist the economic recovery and attain the housebuilding targets necessary for a growing population.

## *Regeneration*

### *New Towns*

22. Last Session we undertook some follow-up work on a report of our predecessor Transport, Local Government and the Regions Committee on the New Towns. The resulting Report, *New Towns: follow-up*, concluded that there was a continuing need for further research, both into the reinvestment needs of the New Towns and to learn the lessons from their experience for current and future large-scale urban development. Since then, we have received and reported on the Government’s response to our follow-up work.<sup>15</sup> The response represented a qualified success for our continued work in this area. It indicated that the Government would “commission further work to evaluate the successes

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<sup>12</sup> Tenth Report of Session 2008-09, HC 517.

<sup>13</sup> Eleventh Report of Session 2007-08, HC 517.

<sup>14</sup> HC (2008-09) 1038-ii, Q216ff.

<sup>15</sup> Fifth Report of Session 2008–09, HC 253.

and benefits that Britain's biggest planning experiment [the New Towns] brought", the focus of the research being "targeted towards social and retail infrastructure".<sup>16</sup> Although it fell some way short of the full examination of reinvestment needs and lessons to be learnt for which we had called, we nonetheless welcomed the new research, and are pleased that our follow-up work has borne such fruit.

## Communities

### Public toilets

23. Another report of last year to which we received a response in this Session was that on *the provision of public toilets*.<sup>17</sup> The Government's response, which we received in January this year, was broadly supportive of the main recommendations, many of which were put forward in the Government's Strategic Guide on toilet provision. Our main recommendation was that local authorities should be given a duty to develop a public toilet strategy. This recommendation was, unfortunately, rejected by the Government: but we found another opportunity to pursue the point, on which we report below.<sup>18</sup>

### Markets

24. Our inquiry into traditional retail markets, launched at the end of the 2007-08 Session, took us into a policy area which we felt was not receiving the focussed attention of government. The inquiry considered the social and economic effects of covered and uncovered markets serving local people in urban and rural areas, and the support that local and central government might offer. During the course of our inquiry we held four oral evidence sessions and received over 40 written memoranda from local and central government, the markets industry, consultancy firms, private operators, and market traders. We visited Ridley Road Market in Hackney, Chapel Market in Islington and Leicester Market. We also ran a web forum aimed at market traders which proved the source of a number of useful insights.

25. Our report, *Market failure?: Can the traditional retail market survive?*,<sup>19</sup> emphasised the important contribution of markets to the economic and social lives of communities and highlighted examples of renaissance and renewal in the wider picture of a difficult economic climate. We concluded that government had a strong interest in supporting markets and made various suggestions for the ways in which local and central government should take the initiative to lead and support policy in this area. We were pleased when the Department responded to our recommendations by setting up a cross-Whitehall coordination group to lead central policy and report to the Minister for Local Government in CLG and Minister for Regional Economic Development and Co-ordination at the Department for Business, Innovation & Skills, and to the Minister for Food at the

<sup>16</sup> HC 253, para 4.

<sup>17</sup> Twelfth Report of Session 2007-08, HC 636.

<sup>18</sup> See para 41.

<sup>19</sup> Ninth Report of 2008-09, HC 308.

Department for Environment, Food and Rural Affairs. We will continue to monitor the progress of this new body. However, we were disappointed that the Department rejected our recommendation on enhancing planning policy guidance to emphasise the wider non-economic benefits of markets. We were also concerned that the optimism expressed by the Department on the vitality of town centres was not backed up by data covering the period since the start of the recession.

### *Supporting People*

26. Our inquiry into *the Supporting People programme* attracted substantial interest from a wide range of stakeholders. This inquiry looked at the effectiveness of the SP programme since its inception and considered how changes in the local government landscape, along with the lifting of the ring-fence on SP funds, would affect the programme's viability and effectiveness in future. Our inquiry confirmed the importance of housing-related support and we made a range of recommendations aimed at protecting these services, whilst retaining local flexibility in commissioning and delivery. Our recommendations supported greater joined-up working at local and national levels between housing, health and social care and also highlighted the urgent need for greatly improved joint commissioning and procurement by associated agencies. A response from the Government to the report, which has been well-received by the main stakeholders, is expected in January 2010.

### *Preventing violent extremism*

27. Also in this Session we have invited written evidence on one further inquiry which falls under the loose heading of “communities”: on the Government's *Preventing Violent Extremism* programme. This relatively new agenda, which represents one of the four key elements of the Government's counter-terrorism strategy, has been the focus of much media attention and public concern in recent times. Written evidence received for this inquiry has been published on our website;<sup>20</sup> oral evidence has now begun and we expect to publish a report in March 2010.

## **Expenditure and administration of the Department**

28. In all our work we seek to consider the extent to which the Government in general, and Communities and Local Government in particular, are applying resources to the best effect; whether promised outcomes are being delivered; and whether the Department is being administered effectively in support of its planned outcomes. We place the administration and expenditure of the Department under particular scrutiny in our annual consideration of the Departmental Annual Report.

29. In previous years we have concluded that the Department “needs urgently to tackle persistent concerns about its ability to deliver across the range of policies for which it is responsible and its ability to influence its strategic partners”.<sup>21</sup> Last year, we were able to be

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20 [www.parliament.uk/clgcom](http://www.parliament.uk/clgcom) > Reports and Publications > Session 2008-09 > Memoranda > Preventing violent extremism.

21 Second Report of Session 2007-08 (HC 170), para 7.

more positive, noting an encouraging “direction of travel”, but concluding that there was still further to go before CLG could be said to be operating at the highest achievable level of effectiveness.<sup>22</sup> We have taken another look at the Department this year and will be considering what progress the Department has made, and whether it is yet able to provide the “consistent and sustained evidence that the Department possesses the full range of skills required for the effective formulation and delivery of the policies for which it is responsible” which we said last year that we would be seeking.<sup>23</sup> We expect to report early in 2010.

### ***Departmental expenditure***

30. The main focus of our consideration of Departmental expenditure this year was our questioning of Ministers and officials on the major budget changes in the Department needed to deliver the Prime Minister’s “Housing Pledge”. These changes involved not only transfers of budgets from other Departments but also reprioritisation of previously allocated funds within CLG itself. We sought, and received, clarification in writing of the changes being made very soon after they were announced, in advance of our sessions on the Departmental Annual Report.<sup>24</sup> We then used the opportunity of those sessions to explore the justification for the significant transfer of resources into new build and away from the refurbishment of existing homes which the changes represented.<sup>25</sup>

31. Meanwhile, we continued throughout the year to consider the Department’s Main and Supplementary Estimates, examining both the Estimates themselves and the accompanying explanatory memoranda, and requesting further information from the Department as necessary. Explanatory memoranda and further Government responses are routinely published on our website,<sup>26</sup> and will be printed with our Report on CLG’s Departmental Annual Report. We have also continued to examine the Estimates relating to the Government Equalities Office, and memoranda from that Office are also published on our website.<sup>27</sup>

### ***Public Service Agreements and Departmental Strategic Objectives***

32. We have continued to examine the performance both of CLG and of the Government Equalities Office against their Public Service Agreement and Departmental Strategic Objective targets through consideration of their departmental annual reports and autumn performance reports. The memoranda we seek from the Government following those Departments’ own assessment of their performance are routinely published on our

22 Second Report of Session 2008-09 (HC 238), Summary.

23 Ibid, para 13.

24 [www.parliament.uk/clgcom](http://www.parliament.uk/clgcom) > Reports and Publications > Session 2008-09 > Memoranda > Communities and Local Government’s Departmental Annual Report 2009 > DAR 09-04, answer to Q12.

25 HC (2008-09) 1038-ii, Q184ff.

26 [www.parliament.uk/clgcom](http://www.parliament.uk/clgcom) > Reports and Publications > [Session] > Memoranda.

27 Ibid.

website,<sup>28</sup> and those from CLG will be printed with our Report on CLG's Departmental Annual Report.

33. Substantive comment on CLG's performance against its PSA and DSO targets can be found in our regular reports on the Department's Annual Report. Last year, we commented not only on CLG's performance against its PSA targets, but also on the nature of the targets themselves:

We agree [...] that PSAs have shaped the Government's priorities and galvanised action. By the Department's own admission, however, they have failed to provide fully transparent accountability [...] If CLG's Public Service Agreements are to serve their purpose not only as a means of expressing the Government's priorities and galvanising action, but also of enabling Parliament and the public of holding the Department to account for the £34bn of public money for which it is responsible, it must be possible to rely on the Department's reported performance against them as a true measure of its performance.<sup>29</sup>

We concluded

[...] next time the Secretary of State comes before us to discuss her Department's overall performance, we do not expect her to have to rely on complaints about the nature of the indicators which have been set in order to explain apparently poor performance. We look forward to seeing [...] a performance framework which provides genuine accountability both to Parliament and to the Department's many stakeholders for the whole range of its work.<sup>30</sup>

This point will be considered further, in the light of the evidence given by Ministers and officials during our inquiry into CLG's Departmental Annual Report for 2009 and its performance in the past year, in a report which will be published in early 2010.

### **Scrutiny of executive agencies and non-departmental public bodies, and scrutiny of major appointments**

34. The role of the two new executive non-departmental public bodies overseen by CLG—the Homes and Communities Agency (HCA) and the Tenant Services Authority (TSA), both established on 1 December 2008—has continued to be crucial to CLG's main preoccupation in the past year: the response to the effects of the credit crunch on the Government's housing policy. We accordingly invited the Chief Executives of those two organisations to give evidence alongside the Minister at both the original evidence session in December 2008 and at the follow-up session in June, where we questioned them on their approaches to encouraging housing and regeneration and to protecting tenants during this difficult period for the housing market.

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28 [www.parliament.uk/clgcom](http://www.parliament.uk/clgcom) > Reports and Publications > [Session] > Memoranda

29 HC 238, para 23.

30 *Ibid*, para 25.

35. We have also scrutinised the work of the Fire and Rescue Service, for which CLG has responsibility. We questioned the Permanent Secretary and the Chief Fire and Rescue Adviser on a number of aspects of the work of the FRS at the session on the Departmental Annual Report, following this up with later questioning of the Minister responsible for the FiReControl project. We will be following up the particular issue of the FiReControl project with a brief inquiry to be held in early 2010.

### *Pre-appointment hearings*

36. This session saw us hold our first pre-appointment hearings in line with the procedure proposed in the 2007 *Governance of Britain* White Paper<sup>31</sup> and later agreed between the Government and the Liaison Committee.<sup>32</sup> We have held three such sessions with the Government's preferred candidates for the posts concerned: Chair of the Infrastructure Planning Commission, on 16 March 2009;<sup>33</sup> the two Deputy Chairs of the same organisation, on 20 July 2009;<sup>34</sup> and the Local Government Ombudsman and Vice-Chair of the Commission for Local Administration in England, on 12 October 2009.<sup>35</sup> On each occasion we endorsed the proposed appointment.

37. We found each exercise a useful opportunity to question the candidates and to assess their suitability for appointment. This was particularly the case in respect of the Infrastructure Planning Commission (IPC), a new body established by the Planning Act 2008 to consider proposals for nationally significant infrastructure projects. The IPC will be taking decisions previously taken by Ministers—a point made on a number of occasions during passage of the Bill which established the body<sup>36</sup>—so the incorporation of an element of democratic accountability into the role is of especial importance, as we pointed out in our Report on the appointment of the Deputy Chairs.<sup>37</sup> Not only the IPC but also the Local Government Ombudsmen play an important role in “protecting the public's rights and interests”:<sup>38</sup> we were therefore pleased to have been able to question the candidates for those roles on behalf of the public.

38. During these three hearings we also took the opportunity to question the candidates on their plans for each role and on the work of the body they would be leading, or helping to lead. In the case of the IPC, which was formally established as a functioning organisation on 1 October 2009, it was our first opportunity to do so, and we are sure that our successors in the next Parliament will wish to consider taking an early look at the work of

31 Ministry of Justice, *The Governance of Britain* (Cm 7170), July 2007.

32 First Report of the Liaison Committee, Session 2007–08, Pre-appointment hearings by select committees (HC 384).

33 Fourth Report of Session 2008–09, Appointment of the Chair of the Infrastructure Planning Commission (HC 354).

34 Eleventh Report of Session 2008–09, Appointment of the Deputy Chairs of the Infrastructure Planning Commission (HC 749).

35 Twelfth Report of Session 2008–09, Appointment of the Local Government Ombudsman and Vice-Chair of the Commission for Local Administration in England (HC 1012).

36 See, for example, Planning Bill Committee, 10 January 2008, cols 172, 180–81, 184, 202–4, 219–25; HC Deb, 25 June 2008, cols 349, 362, 363, 366–7.

37 HC 749, para 3.

38 First Report of the Liaison Committee, Session 2007–08, Pre-appointment hearings by select committees (HC 384), pp. 8–9.

this new body. The Local Government Ombudsmen have been the subject of earlier inquiries by our predecessor Committees:<sup>39</sup> we questioned the candidate for this post on some of the issues arising out of that previous consideration, including customer service and the ability of the Ombudsmen to secure redress for complainants.

39. Nevertheless our experience of pre-appointment hearings has led us to question whether the process is enabling Committee members to play a full and appropriate role in these important public appointments. In a letter to the Chairman of the Liaison Committee, reproduced as an Appendix to this Report, our Chair has reported concerns that Committees do not have available to them all the information necessary to enable them to decide whether a candidate ought to be recommended for appointment. Some Members feel that it is not possible to come to a decision about whether the person in front of them is the best candidate for the position in the absence of any knowledge of the other candidates. We have noted that a project is under way to review the experience of pre-appointment hearings so far: a number of us hope to speak to the researchers, and we look forward to seeing the results of the project.

### Assisting the House in debate and decision

40. One debate has taken place in Westminster Hall on our Reports this session. Our two Reports on *Housing and the Credit Crunch* were debated together on 16 July 2009, enabling Members to discuss the Government's response to the effects of the economic slowdown on its housing policies. We also assisted the House in debate by securing an Order Paper "tag" for our 2007 Report on *Local Government Finance: Supplementary Business Rate*, and the two follow-up Reports on the same subject, for the Second Reading of the Business Rate Supplement Bill.<sup>40</sup> Regrettably, the arguments we put forward in those Reports for granting local authorities far greater freedom were not accepted by the Government or the House, and the power to raise a supplementary business rate provided for in the Business Rate Supplement Act 2009 is much more limited than we would like to have seen. This is a point to which our successors in the next Parliament may wish in due course to return, whether in the context of post-legislative scrutiny or otherwise.

41. Meanwhile we were successful in securing a debate on the central recommendation of one of our other Reports, *The Provision of Public Toilets*, in another manner. That Report recommended that the Government place a duty on each local authority to develop a strategy on the provision of public toilets in their areas, which should be drawn up following consultation with the local community and should be reviewed annually.<sup>41</sup> This recommendation was rejected by the Government, but consideration in the House of the Local Democracy, Economic Development and Construction Bill offered us the

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39 Most recently: Eleventh Report of the Office of the Deputy Prime Minister: Housing, Planning Local Government and the Regions Committee, Session 2004-05 (HC 458), *The Role and Effectiveness of the Local Government Ombudsmen for England*.

40 Seventh Report of the Communities and Local Government Committee, Session 2006-07, *Local Government Finance: Supplementary Business Rate* (HC 719); Third Report of the Committee, Session 2007-08, *Local Government Finance—Supplementary Business Rate: the Government's Response* (HC 210); and Third Special Report of the Committee, Session 2007-08, *Local Government Finance—Supplementary Business Rate: Government Response to the Committee's Third Report of Session 2007-08* (HC 1200). The debate took place on 12 January 2009.

41 HC (2007-08) 636, para 102.

opportunity to have our proposal debated. An amendment to the Bill was tabled in the name of our Chair, supported by a cross-party group of members of the Committee, and was selected for debate at report stage of the Bill on 13 October 2009. Unfortunately the amendment was not accepted by the House but we were pleased to be able to air in the Chamber the issues which had animated that Report. We note the recent Report by the Procedure Committee which recommends that a procedure be instigated which would enable amendments to be tabled to Bills (and motions) in the name of the Chairman on behalf of his or her select committee, which would make clearer in such circumstances that the proposal originates from a Committee.<sup>42</sup>

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42 Fifth Report of the Procedure Committee, Session 2008-09, Tabling of amendments by select committees (HC 1104).

## 4 Working practices

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### Public involvement in the Committee's work

42. We are committed to involving a wide range of organisations and individuals in our work. We have received a number of suggestions for future inquiries from the public which we have considered as part of our deliberations on our work programme. This past session has seen a venture into a new medium for us, a web forum, as well as a repeat—in different circumstances—of the seminar discussion which contributed to our *Balance of Power* inquiry.

#### Web forum

43. During our inquiry into traditional retail markets, for six weeks, from Tuesday 17 March 2009 until Tuesday 28 April 2009, we ran an online consultation to obtain the views of market traders on issues of relevance to the inquiry. We invited responses to three specific questions:

- What more could be done, and by whom, to improve markets and assist market trading?
- Is it becoming harder to run a market stall, and if so why?
- What makes a successful market?

The site was viewed 1,928 times. A total of 32 responses were posted and accepted onto the website, from 12 people, of whom 10 described themselves as market traders.

Although this represented too small a sample to draw wider, representative conclusions, their posted views added weight to some of the other evidence we received during the course of our inquiry, and we quoted from some of them in our Report.

#### Balance of Power seminar

44. On 10 November 2009 we followed up our inquiry into the balance of power between central and local government by hosting, in cooperation with London Councils, a seminar for key players in the central-local debate to discuss the Committee's conclusions, and the Government's response. The seminar brought together around 30 individuals from Parliament, government departments, local government, academia, think tanks and the media. It resulted in an encouraging and useful discussion which we hope will have helped to move the debate on a little further in the direction of granting greater freedoms to locally elected councils to deliver the services their communities want.

#### Breakdown of witness types

45. We strive to ensure that all types of people and groups have the opportunity to give us evidence. We have continued the practice, begun last year, of monitoring the type of witnesses that we take evidence from, to inform our work and provide transparency to the public. A full breakdown may be found at Annex 2.

## Media coverage

46. Consolidating progress made in recent years, we continued to secure extensive media coverage for many of our inquiries and reports this year. Our two Reports on housing and the credit crunch, along with *Market Failure?: Can the traditional market survive?* and our report on *Local authority investments*, all generated significant coverage across a combination of broadcast, broadsheet, local newspaper, specialist print and web media. Other more narrowly focused reports—such as *Need and impact: planning for town centres* and *The Supporting People programme*—achieved less prominence but were reported well in the specialist print and web media.

47. Our Report on the *Balance of Power* between central and local government received less attention than we might have liked outside the specialist local authority press (due mainly to the impact of the expenses issue on national print and broadcast media when the report was published). One reason for convening the seminar on which we report above was to encourage further engagement by media columnists and opinion formers with the issues we raised and the conclusions we reached: we hope to seek further opportunities to promote that Report, starting with a debate on the floor of the House.

48. This year we also began to promote more actively a number of our special reports containing Government responses to our Reports. We did so with our Report *New Towns—follow up: the Government’s response*, and with another setting out the responses of Ministers and three other key stakeholders, including the Financial Services Authority, to our report examining local authority investments. We have also received modest media attention for the pre-appointment hearings we held with the Government’s preferred candidates for Chair and the Deputy Chairs of the new Infrastructure Planning Commission, and for a replacement Local Government Ombudsman. Lastly, throughout the year the local authority and housing specialist press, various regional papers and a range of web media titles have provided steady coverage of many oral evidence sessions and the issues raised at them.

## Chair’s speeches

49. It is not only through media coverage that a wide audience can be garnered outside Parliament for our reports. Our Chair has been energetic in seeking opportunities to speak about the work we have done and the conclusions we have reached, in a wide variety of fora. In this Session she has spoken, among others, to the Local Government Association’s AGM, to a meeting of South East council leaders in Brighton, to CIPFA conferences on both local authority treasury management and the “balance of power”, and to a conference on the “preventing violent extremism” programme, as well as speaking to conferences on two occasions about Parliamentary scrutiny of National (Planning) Policy Statements, in which we retain a significant interest.

## Petitions

50. We continue to receive petitions to the House referred to us under the resolution of the House of 25 October 2007. We have received petitions on a wide variety of different topics directly related to the work of Communities and Local Government, ranging from the funding of the Fire and Rescue Service, to planning policy on the development of gardens,

to the reform of the Housing Revenue Account. We have not specifically intervened in any matter as a result of any petition but they have been a useful measure—among many—of matters of public concern within our remit.

51. Alongside those petitions which concern matters which are the responsibility of CLG, however, we have also received a number of petitions on matters which are not, and should not be, the concern of central government—or of Parliament. Rather, these petitions concern matters which are the responsibility of individual local authorities. Overwhelmingly, they object to local planning applications of various types, though we have also, for example, received a petition about the disposal of a former hospital site, and the safety of a road bridge.

52. In our Report *The Balance of Power*, we concluded

The manner in which Parliament debates some essentially local issues can work to constrain local government. In England, local government’s alleged failings quickly get elevated to the level of national debate on the floor of the House, as recently seen with regard to child protection issues—the Baby P case—and preparation for heavy snowfall. The effect of repeated parliamentary interventions is to encourage the public and media to look to central government to solve local problems, and to prompt central government to act. [...] Parliament may need to curb some of its own interventionist instincts.<sup>43</sup>

53. In accordance with this “localist” principle, we resolved on 14 July 2008

*That the Clerk of the Committee respond to any petition placed on the Committee’s agenda which appears to the Committee to concern a matter wholly within the responsibility of local government stating that the Committee is of this view and has therefore not considered the matter raised.*

Shortly afterwards, our Chair wrote to the Chair of the Procedure Committee, whose report on petitions had led to the procedure under which petitions are referred to select committees.<sup>44</sup> Her letter, which is reproduced in the Appendix to this Report, conveyed our view that

we do not consider it to be helpful to suggest, by referring a petition to a Select Committee, that the House is taking meaningful action on a petition where a Committee would not—indeed where it would be inappropriate for it to—act. Indeed we consider that such a procedure is likely to undermine public confidence in the process of government and in the role of the House and its Committees.

The letter went on to suggest that the problem could be overcome by a more rigorous application of the rule that a petition to the House of Commons “must address a case over which the House has jurisdiction and must request a redress which it is in the power of the House to provide”. This clearly does not apply in the case of matters which fall wholly

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43 HC (2008–09) 33, para 137.

44 First Report of the Procedure Committee, Session 2006–07, Public Petitions and Early Day Motions (HC 513).

within the responsibility of an individual local authority, and presumptive petitioners concerned with such matters could usefully be advised that they would be better served by directing their campaign at the body which had the power and the responsibility to address the matter concerned, rather than expending their effort petitioning the House.

54. We look forward to the House being given the opportunity to reconsider the way in which it deals with petitions. **We recommend that the Procedure Committee give further consideration to this issue.**

### Government memoranda and responses to our Reports

55. Last year we had cause to comment on our disappointment with the Department's tardiness in responding to some of our Reports. We said that we would be closely monitoring the Government's response times to our outstanding and future inquiries. We are pleased to be able to report this year that the Department's performance in responding in a timely fashion to our Reports has improved significantly, and we have no further reason to complain about timeliness (even if the quality and nature of the responses have not always been entirely as we would wish them).

56. Unfortunately, this year it is the timeliness of Government memoranda to our inquiries with which we have to take issue. For example, the deadline for the submission of written memoranda to our inquiry into traditional retail markets was 19 January 2009; the Government's memorandum was not submitted until 3 April 2009. Following the final oral evidence session, with the Secretary of State, of our Balance of Power inquiry on 12 January 2009, a two-week deadline was agreed with officials for the submission of a memorandum covering outstanding points raised; the memorandum was finally received on 2 March 2009.

57. In general we are prepared to take a flexible approach to the timing of responses to our inquiries, both with the Government and with other prospective witnesses, and do not insist absolutely on deadlines where there is a genuine reason for missing them. Nevertheless, it is important both to preparing a suitable oral evidence programme and to enabling other interested parties to see the Government's position on an issue that its written contribution to an inquiry be submitted in good time. There is no good reason why the Government should need, or be granted, any more time to prepare its submission than any other witness. We trust that the Department will respond as it has done to our criticism of the timeliness of its responses to our reports, and improve its performance in this area.

## 5 Conclusion

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58. The past year has been a turbulent one for the department we scrutinise, Communities and Local Government. As the Permanent Secretary suggested when he recently gave evidence on the Department's Annual Report for 2008, few departments' programmes can have been as significantly affected by the economic downturn as those of CLG.<sup>45</sup> The effects of the downturn have been seen in our work, too: in particular in our inquiry into the lessons of the potential loss of up to £1bn of local authority cash in the failed Icelandic banks; and as we continue to scrutinise the Department's response to the effect of the credit crunch on its housing policy. It is important that we remain responsive to the wider economic and political climate, but also that we continue to look across the range of the Department's work for areas of administration, policy and expenditure which merit closer scrutiny. We have done so this year; and expect to continue doing so, influencing the administration, expenditure and policy of this Department for the good of the people we represent.

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45 HC 1038-i, Q144.

# Formal Minutes

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**Monday 14 December 2009**

Members present:

Dr Phyllis Starkey, in the Chair

Mr Clive Betts  
John Cummings

Alison Seabeck  
Andrew Slaughter

***Work of the Committee in 2008–09***

Draft Report (*Work of the Committee in 2008–09*), proposed by the Chairman, brought up and read.

*Ordered*, That the Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 58 read and agreed to.

Annexes agreed to.

A Paper was appended to the Report as Appendix 1

A Paper was appended to the Report as Appendix 2.

*Resolved*, That the Report be the First Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Monday 11 January at 2.00 pm]

## Annex 1: Work of the Committee in relation to core tasks

Table 2: Work of the Committee in relation to core tasks

	1 Government policy proposals	2 Examination of deficiencies	3 Draft legislation <sup>46</sup>	4 Departmental actions	5 Expenditure	6 Public Service Agreements	7 Associated public bodies	8 Major appointments	9 Implementation of legislation	10 Debate in the House or committee
Inquiries for which Reports were published										
CLG Annual Report 2008		✓		✓	✓	✓	✓			
Housing and the Credit Crunch	✓	✓		✓	✓		✓			✓
Pre-appointment scrutiny (Chair and Deputy Chairs of the Infrastructure Planning Commission; Local Government Ombudsman)							✓	✓		
New Towns—follow up: the Government's response		✓		✓						
The Balance of Power: central and local government	✓	✓		✓			✓			
Local authority investments		✓		✓	✓		✓			
Housing and the credit crunch: follow-up	✓	✓		✓	✓		✓			
Market failure?: Can the traditional market survive?		✓		✓			✓			
Need and impact: planning for town centres	✓									

46 No draft legislation was published in this Session which fell to be considered by the CLG Committee.

The Supporting People programme		✓		✓	✓		✓			
Inquiries in which evidence was taken and no Report published during the session 2007-08										
Government Equalities Office Autumn Performance Report and Departmental Annual Report and Accounts				✓	✓	✓				
Communities and Local Government Autumn Performance Report, Departmental Annual Report and Accounts	✓			✓	✓	✓	✓			
Beyond Decent Homes	✓	✓		✓	✓	✓	✓			
Preventing violent extremism	✓	✓		✓	✓		✓			

## Annex 2: Monitoring data

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**Table 3: Witnesses by type<sup>47</sup>**

<b>Witnesses by type</b>	<b>Total</b>
Cabinet Ministers	2
CLG Ministers other than Cabinet Ministers	9
Other Departmental Ministers	0
Members of the House of Commons (other than Ministers)	2
Members of the House of Lords (other than Ministers)	2
Government officials	12
Executive agencies and non-departmental public bodies	11
Local authorities	32
Professional/trade/member associations	44
Voluntary and community groups	20
Individuals (appearing in a personal capacity)	16
Other	17
<b>Total number of witnesses</b>	<b>165</b>

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<sup>47</sup> The category 'witnesses' refers to the number of individuals who have provided oral evidence (rather than the number of organisations, as specified in the Sessional Return (see below)). Witnesses are counted each time they appear to give evidence, and may therefore be counted more than once.

Table 4: Witnesses by gender<sup>48</sup>

Evidence session	Date	Total	Male	Female
Balance of Power: central and local government	8 December 2008	7	6	1
	15 December 2008	6	5	1
	12 January 2009	1	0	1
Housing and the Credit Crunch	16 December 2008	8	7	1
Local authority investments	19 January 2009	3	3	0
	26 January 2009	8	8	0
	9 February 2009	8	8	0
Markets	2 March 2009	5	3	2
	24 March 2009	6	6	0
	31 March 2009	7	6	1
	20 April 2009	3	3	0
Pre-appointment hearing with the Government's preferred candidate for Chair of the Infrastructure Planning Commission	16 March 2009	1	1	0
Need and impact: planning for town centres	11 May 2009	11	6	5
	18 May 2009	10	9	1
Housing and the credit crunch: follow-up	1 June 2009	8	7	1
Supporting People	8 June 2009	8	6	2
	15 June 2009	11	7	4
	29 June 2009	10	5	5
	6 July 2009	6	4	2
Review of housing finance	13 July 2009	3	3	0
Pre-appointment hearing with the Government's preferred candidates for Deputy Chairs of the IPC	20 July 2009	2	1	1

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48 We do not currently collect data on witnesses by ethnicity or disability.

Pre-appointment hearing with the Government's preferred candidate for Local Government Ombudsman and Vice-Chair of the Commission for Local Administration in England	12 October 2009	1	0	1
CLG's Departmental Annual Report 2009	19 October 2009	5	3	2
	2 November 2009	3	2	1
Beyond Decent Homes	26 October 2009	7	5	2
	9 November 2009	11	11	0
	10 November 2009	6	4	2
<b>Totals</b>		<b>165</b>	<b>129</b>	<b>36</b>
<b>Percentages</b>			<b>78</b>	<b>22</b>

## Annex 3: Sessional Return

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The Committee was nominated by the House of Commons on 13 July 2005.

<b>Members</b>	<b>Meetings attended</b>
Starkey, Dr Phyllis (Chairman)	34 out of 34
Beresford, Sir Paul	22 out of 34
Betts, Mr Clive	30 out of 34
Cummings, John	27 out of 34
Dobbin, Jim (discharged 9.3.09)	4 out of 9
George, Andrew	14 out of 34
Hands, Mr Greg	6 out of 34
Main, Anne	21 out of 34
Olnier, Mr Bill (discharged 9.3.09)	1 out of 9
Pugh, Dr John	9 out of 34
Seabeck, Alison (added 13.7.09)	9 out of 10
Slaughter, Mr Andy (added 2.11.09)	2 out of 3
Thornberry, Emily (discharged 2.11.09)	9 out of 31
Turner, Neil (added 9.3.09)	12 out of 25
Wright, David (added 9.3.09 discharged 13.7.09)	8 out of 15
<b>Overall Attendance:</b>	<b>55.3 %</b>

Total number of meetings:	34
Of which:	
Number of meetings at which oral evidence was taken	27
Number of times oral evidence was taken partly or wholly in private	0
Number of wholly private meetings	7

### *Other activities*

Informal meetings	0
Conferences/Seminars hosted	2

### *Staff*

Details of the permanent staff of the Committee during the Session can be found in the Committee's publications.

### *Specialist Advisers during the Session*

Dr Tahir Abbas, Rita Hale OBE, Professor Alan Hallsworth, Helen Hayes, Professor Steve Hilditch, Mr Dilwar Hussein, Kelvin MacDonald, Ms Alveena Malik, Stephen Partridge, Professor Andrew Silke, Professor Tony Travers, Helen Walker and Professor Sophie Watson.

### *Witnesses*

Oral Evidence was given during the Session by the following categories of witnesses:

Number of appearances by:	
Cabinet Ministers	4
Ministers other than Cabinet Ministers	7
Members of the House of Lords	2
Number of appearances by officials from, or representatives of:	
Department for Communities and Local Government	12
Number of appearances by officials from or representatives of public bodies and non-Ministerial departments comprising:	6

Audit Commission	2
Homes and Communities Agency	2
Tenant Services Authority	2
Appearances by other witnesses	139

### Overseas Visits

Date	Destination	Members	Staff	Purpose	Cost
30.11.08-5.12.08	Copenhagen and Stockholm	Starkey, Betts, Thornberry	2	Balance of Power inquiry	£12,526.48

### Visits to European Institutions

None.

### UK Visits

Date	Destination	Members	Staff	Purpose	Cost
10.3.09	Ridley Road Market, Hackney and Chapel Market, Islington	Starkey, Beresford, Betts, Main, Pugh, Thornberry	5 <sup>A</sup>	Visit London markets	£360.00
23.3.09	Leicester Market	Starkey, Beresford, Betts, Main, Thornberry	6 <sup>B</sup>	Visit Leicester Market	£1,739.30
16.6.09	Olympics site, east London	Starkey, Beresford, Betts	1	Regeneration legacy of the London Olympics	Nil
23.6.09	Brixton, Denmark Hill and Battersea, south London <sup>C</sup>	Starkey, Betts	2	Inquiry into Supporting People programme	£329.19

<sup>A</sup> Includes 2 specialist advisers

<sup>B</sup> Includes 2 specialist advisers and 1 shorthand writer

<sup>C</sup> Travel in a representative capacity

### Reports and Oral and Written Evidence

Title	HC No. (2008–09)	Date of publication	Government reply
First Report: <i>Work of the Committee in 2007–08</i>	102	22.1.09	Not applicable
Second Report: <i>Communities and Local Government's Departmental Annual Report 2008</i>	238	4.3.09	Cm 7614, published 15.5.09

<b>Title</b>	<b>HC No. (2008–09)</b>	<b>Date of publication</b>	<b>Government reply</b>
Third Report: <i>Housing and the Credit Crunch</i>	101	24.2.09	Cm 7619, published 15.5.09
Fourth Report: <i>Appointment of the Chair of the Infrastructure Planning Commission</i>	354	23.3.09	Not applicable
Fifth Report: <i>New Towns: Follow-up: Government Response to the Ninth Report of the Committee, Session 2007–08</i>	253	7.5.09	Not applicable
Sixth Report: <i>The Balance of Power: Central and Local Government</i>	33-I	20.5.09	Cm 7712, published 15.9.09
Oral and Written Evidence: <i>The Balance of Power: Central and Local Government</i>	33-II	20.5.09	Not applicable
Seventh Report: <i>Local authority investments</i>	164-I	11.6.09	Communities and Local Government, CIPFA, FSA and Audit Commission Response, received 28.10.09: published as First Special Report, Session 2008–09
Oral and Written Evidence: <i>Local Authority Investments</i>	164-II	11.6.09	Not applicable
Eighth Report: <i>Housing and the credit crunch: follow-up</i>	568	14.7.09	Cm 7695, published 01.09.09
Ninth Report: <i>Market failure: Can the traditional market survive</i>	308-I	23.7.09	Cm 7712, published 12.10.09
Oral and Written Evidence: <i>Market Failure: Can the traditional market survive</i>	308-II	23.7.09	Not applicable
Tenth Report: <i>Need and impact: planning for town centres</i>	517	25.7.09	Received 15.10.09: published as Second Special Report, Session 2008-09
Eleventh Report: <i>Appointment of the Deputy Chairs of the Infrastructure Planning Commission</i>	749	27.7.09	Not applicable
Twelfth Report: <i>Appointment of the Local Government Ombudsman and Vice-Chair of the Commission for Local Administration in England</i>	1012	19.10.09	Not applicable
Thirteenth Report: <i>The Supporting People programme</i>	649-I	3.11.09	Awaited
Oral and Written Evidence: <i>The Supporting People programme</i>	649-II	3.11.09	Not applicable

<b>Title</b>	<b>HC No. (2008–09)</b>	<b>Date of publication</b>	<b>Government reply</b>
First Special Report: <i>Local authority investments: Government, CIPFA, FSA and Audit Commission Response to the Committee's Seventh Report of Session 2008–09</i>	1013	28.10.09	Not applicable
Second Special Report: <i>Need and impact: planning for town centres: Government response to the Tenth Report from the Committee</i>	1082	12.11.09	Not applicable
Uncorrected oral evidence published on the internet: <i>Beyond Decent Homes</i>	1054-i	26.10.09	Not applicable
Uncorrected oral evidence published on the internet: <i>Beyond Decent Homes</i>	1054-ii	9.11.09	Not applicable
Uncorrected oral evidence published on the internet: <i>Beyond Decent Homes</i>	1054-iii	10.11.09	Not applicable
Uncorrected oral evidence published on the internet: <i>Communities and Local Government Departmental Annual Report</i>	1038-i	19.10.09	Not applicable
Uncorrected oral evidence published on the internet: <i>Communities and Local Government Departmental Annual Report</i>	1038-ii	02.11.09	Not applicable
Uncorrected oral evidence published on the internet: <i>Review of Council Housing Finance</i>	915-i	13.07.09	Not applicable
Written evidence published on the internet: <i>Beyond Decent Homes</i>		21.10.09	Not applicable
Written evidence published on the internet: <i>Communities and Local Government Departmental Annual Report 2009</i>		22.10.09	Not applicable
Written evidence published on the internet: <i>Government Equalities Office Autumn Performance Report 2008</i>		30.03.09	Not applicable
Written evidence published on the internet: <i>Spring Supplementary Estimates 2008-09</i>		30.03.09	Not applicable
Written evidence published on the internet: <i>Main Estimate 2009-10</i>		11.06.09	Not applicable
Written evidence published on the internet: <i>Winter Supplementary Estimates 2008-09</i>		08.12.08	Not applicable

## Government replies to Reports for Session 2007–08

None.

## Formal Minutes

The Formal Minutes of the Committee were published electronically after each meeting of the Committee. They are available on the Committee's website at [http://http://www.parliament.uk/parliamentary\\_committees/clg.cfm](http://http://www.parliament.uk/parliamentary_committees/clg.cfm).

## Divisions

Date	Subject
12.5.09	One, on an amendment proposed to the Chairman's draft Report on <i>The Balance of Power: Central and Local Government</i>
12.10.09	One, on an amendment proposed to the Chairman's draft Report on the <i>Appointment of the Local Government Ombudsman and Vice Chair of the Commission for Local Administration in England</i>

## Debates

A Committee report was debated in Westminster Hall on one occasion in this session and another Report was tagged on the Order Paper as relevant to a debate on one further occasion. Further details can be found in the Committee's Sessional Report.

## Number of oral evidence sessions for each inquiry during the Session

Inquiry	Number of oral evidence sessions
Appointment of Deputy Chairs of the Infrastructure Planning Commission	1
Appointment of the Chair of the Infrastructure Planning Commission	1
Appointment of the Local Government Ombudsman and Vice-Chair of the Commission for Local Administration in England	1
Balance of Power	3
Beyond Decent Homes	3
Departmental Annual Report 2009	2
Housing and the credit crunch	1
Housing and the credit crunch - follow up	1
Local authority investments	3
Need and impact: planning for town centres (PPS6)	2
Review of council housing finance	1

<b>Inquiry</b>	<b>Number of oral evidence sessions</b>
Supporting People programme	4
Traditional retail markets	4
Total	27

# Appendix 1: Letter from the Chair of the Committee to the Chair of the Procedure Committee on Public petitions

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Rt Hon Greg Knight, MP  
Chairman, Procedure Committee  
House of Commons

## Consideration of petitions by select committees

At a recent meeting, the Communities and Local Government Committee, which I chair, was asked to consider two petitions. One was concerned with the future of the Haslar hospital site in Hampshire; the other the safety of Lower Road bridge in Nash Mills. These petitions appeared on our agenda under the resolution of the House of 25 October 2007 because they had been sent to the Department for Communities and Local Government for observations.

As a Committee, we of course accept the inherent right of the public to petition the House in case of grievance. We also accept the pragmatic arrangement by which the House transmits petitions it receives to the relevant Government Department, which is then expected to make observations thereon. However, the two petitions which appeared on our recent agenda, together with many of the other petitions which we have been asked to consider since the House passed its resolution, have been concerned with matters which are not rightfully for central Government to consider, but for particular local authorities. We do not therefore consider it appropriate that we should be expected to consider such petitions.

We sympathise with the goal of encouraging engagement with the Parliamentary process, which we understand to have been your Committee's motive in proposing to the House the procedure agreed last October. However, we do not consider it to be helpful to suggest, by referring a petition to a Select Committee, that the House is taking meaningful action on a petition where a Committee would not—indeed where it would be inappropriate for it to—act. Indeed we consider that such a procedure is likely to undermine public confidence in the process of Government and in the role of the House and its Committees.

In this context I note your Committee's recommendation, in its recent report on e-petitions, that such petitions "*should clearly and specifically state what action the petitioners desire the House of Commons to take to remedy the matter about which they are petitioning*", and that "*there should be a mechanism within the system to allow a Member who has been asked to facilitate a constituent's petition to respond that the petition is unclear or misdirected and to offer instead to correspond with the petitioner in*

*order to bring the petition within these tighter rules.*” I offer no comment at this stage about the merits or otherwise of your proposed procedure for e-petitioning, but this recommendation clearly has applicability in the context of the current petitions procedure. If the rules for the presentation of petitions—or even simply their application, given the clear rule that “*A petition to the House of Commons must address a case over which the House has jurisdiction and must request a redress which it is in the power of the House to provide*”—were to be tightened, presumptive petitioners could be clearly advised that they would be better served by directing their campaign at the body which had the power and the responsibility to address the matter concerned, rather than wasting their effort petitioning the House.

We appreciate that a further resolution of the House would be required to address this issue, a remedy which it is not within the power of your Committee to achieve. We trust nevertheless that you will take these points into consideration in any further examination, or review, of the procedures for handling petitions to the House.

I am copying this letter to the Leader of the House.

***Dr Phyllis Starkey, MP***

*Chair, Communities and Local Government Committee*

*16 June 2008*

## Appendix 2: Letter from the Chair of the Committee to the Chair of the Liaison Committee on Pre-appointment hearings

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Rt Hon Alan Williams, MP  
Chairman, Liaison Committee  
House of Commons

### **Pre-appointment hearings**

The Communities and Local Government Committee has now held three pre-appointment hearings, dating back to a March hearing with the Government's preferred candidate for Chair of the Infrastructure Planning Commission. A further hearing with the candidates for the two posts of Vice-Chair of the same organisation in July was followed by last week's session with a prospective Local Government Ombudsman. Members of the Committee have asked me to write to you following a discussion which ensued after our most recent such hearing.

Committee members see value in pre-appointment hearings and have welcomed the opportunity to cross-examine the Government's preferred candidate for each of these important posts. However, members have expressed some frustration that the nature of the process is such that they do not have available to them all the information necessary to enable them to decide whether a candidate ought to be recommended for appointment. Members feel that it is not possible to come to a decision about whether the person in front of them is the best candidate for the position in the absence of any knowledge of the other candidates.

We appreciate that the process is not intended to replicate the appointment process carried out by the Department on the Minister's behalf; and that the role of the Committee is to decide whether the Government's preferred candidate is suitable for the position, not to make a choice between candidates who have already gone through the appropriate recruitment procedures. However, members feel that the step of recommending that a candidate not be appointed ought only to be taken if they can be confident that a better candidate is—or may be—available. Little would be gained from seeking to prevent the appointment of a candidate about whom the Committee had reservations if no other candidate were available who would fit the post any better.

Although in such circumstances it would in principle be open to the Committee to make a report setting out its reservations and recommending the appointment only if no better candidate would be available, the damage done to the standing of the candidate by such a report would make this a highly undesirable course of action. Nor would the option included in the Liaison Committee's guidelines for pre-appointment hearings of "writ[ing] to the relevant Minister with any opinions that it prefers to express privately,

to supplement the published report” offer a solution in these circumstances. The Committee could not hope to influence the appointment if its published report has already endorsed the Government’s preferred candidate.

The Committee has not discussed in detail the possible solutions to this problem: but one obvious one would be to make available to the Committee the CVs not only of the preferred candidate, but also of those other candidates assessed by the recruitment panel as suitable for the position and included on the shortlist submitted to the Minister. If the Government’s preferred candidate displayed weaknesses in front of the Committee, Members would then be in a position to assess whether a recommendation that he or she not be appointed would or would not be likely to result in the appointment of a more suitable candidate.

Such a procedure would also help Committees to fulfil another objective of the pre-appointment hearing process, that is, to expose—or to reject any suggestion of—political bias in the appointments made by Ministers. A recent example of this came in the controversy surrounding the Mayor of London’s appointment of Veronica Wadley as Chair of the Arts Council London. It is at present extremely difficult for a Committee to assess whether any such bias may have been present in the appointment process. If all the candidates on the shortlist submitted to the Minister have declared political activity for the same party, accusations of political bias by the Minister him- or herself would clearly be unfounded (though it may of course raise questions about the rest of the appointment process). If, on the other hand, a candidate who has declared political activity for the Minister’s own party is appointed ahead of a manifestly better-qualified alternative candidate, a Committee would be right to raise questions about that appointment. If the Committee concerned knows nothing of the alternative candidates, they are not in a position to do that.

My Committee is aware that a research project is under way which may address some of these issues. I and a number of other Committee members have let it be know that we are willing to speak to the researchers and feed these points into the process. Meanwhile, however, I am anxious to ensure that our reservations about the process are known and discussed at the earliest opportunity.

I am copying this letter to Tony Wright as Chairman of the Public Administration Committee.

***Dr Phyllis Starkey MP***

*Chair, Communities and Local Government Committee*

*19 October 2009*

# List of Reports from the Committee during the current Parliament

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The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

## Session 2009–10

First Report	The Work of the Committee in 2008–09	HC 179
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## Session 2008–09

First Report	Work of the Committee in 2007–08	HC 120
Second Report	Communities and Local Government's Departmental Annual Report 2008	HC 238 ( <i>Cm</i> 7614)
Third Report	Housing and the Credit Crunch	HC 101 ( <i>Cm</i> 7619)
Fourth Report	Appointment of the Chair of the Infrastructure Planning Commission	HC 354
Fifth Report	New Towns Follow-Up—Government Response to the Ninth Report of the Committee, Session 2007–08	HC 253
Sixth Report	Balance of Power: Central and Local Government	HC 33-I ( <i>Cm</i> 7712)
Seventh Report	Local authority investments	HC 164-I ( <i>HC</i> 1013)
Eighth Report	Housing and the credit crunch: follow-up	HC 568 ( <i>Cm</i> 7695)
Ninth Report	Market Failure?: Can the traditional market survive?	HC 308-I ( <i>Cm</i> 7721)
Tenth Report	Need and impact: planning for town centres	HC 517 ( <i>HC</i> 1082)
Eleventh Report	Appointment of the Deputy Chairs of the Infrastructure Planning Commission	HC 749
Twelfth Report	Appointment of the Local Government Ombudsman and Vice-Chair of the Commission for Local Administration in England	HC 1012
Thirteenth Report	The Supporting People Programme	HC 649-I

## Session 2007–08

First Report	Coastal Towns: the Government's Second Response	HC 69
Second Report	DCLG Annual Report 2007	HC 170 ( <i>Cm</i> 7335)
Third Report	Local Government Finance—Supplementary Business Rate: the Government's Response	HC 210 ( <i>HC</i> 1200)
Fourth Report	Work of the Committee in 2007	HC 211
Fifth Report	Ordnance Survey	HC 268 ( <i>HC</i> 516)
Sixth Report	Refuse Collection: Waste Reduction Pilots	HC 195 ( <i>HC</i> 541)
Seventh Report	Existing Housing and Climate Change	HC 432 ( <i>Cm</i> 7428)
Eighth Report	The Supply of Rented Housing	HC 457-I & II ( <i>Cm</i> 7326)
Ninth Report	New Towns Follow-Up	HC 889
Tenth Report	Community Cohesion and Migration	HC 369-I & II ( <i>Cm</i> 7489)
Eleventh Report	Planning Matters—labour shortages and skills gaps	HC 517-I & II ( <i>Cm</i> 7495)

Twelfth Report	The Provision of Public Toilets	HC 636 ( <i>Cm 7530</i> )
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### Session 2006–07

First Report	The Work of the Committee in 2005–06	HC 198
Second Report	Coastal Towns	HC 351 ( <i>Cm 7126</i> )
Third Report	DCLG Annual Report 2006	HC 106 ( <i>Cm 7125</i> )
Fourth Report	Is there a Future for Regional Government?	HC 352-I ( <i>Cm 7119</i> )
Fifth Report	Refuse Collection	HC 536-I ( <i>HC 1095</i> )
Sixth Report	Equality	HC 468 ( <i>Cm 7246</i> )
Seventh Report	Local Government Finance—Supplementary Business Rate	HC 719
Eighth Report	Local Government Finance—Council Tax Benefit	HC 718 ( <i>HC 1037</i> )

### Session 2005–06

First Report	ODPM Annual Report and Accounts	HC 559 ( <i>HC 1072</i> )
Second Report	Re-licensing	HC 606 ( <i>Cm 6788</i> )
Third Report	Affordability and the Supply of Housing	HC 703-I ( <i>Cm 6912</i> )
Fourth Report	The Fire and Rescue Service	HC 872-I ( <i>Cm 6919</i> )
Fifth Report	Planning Gain Supplement	HC 1024-I ( <i>Cm 7005</i> )
First Special Report	Government Response to the Committee's Fourth Report of Session 2004–05, on the ODPM Annual Reports and Accounts 2004	HC 407
Second Special Report	Government Response to the Committee's Eleventh Report of Session 2004–05, on the Role and Effectiveness of The Local Government Ombudsmen for England	HC 605
Third Special Report	Government Response to the Committee's Seventh Report of Session 2004–05, on the Role and Effectiveness of the Standards Board for England	HC 988