

*Status: Point in time view as at 15/01/2012.*

*Changes to legislation: Localism Act 2011, SCHEDULE 21 is up to date with all changes known to be in force on or before 12 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 21

Section 198

#### MAYORAL DEVELOPMENT CORPORATIONS

##### *Membership*

- 1 (1) A Mayoral development corporation (“MDC”) is to consist of such number of members (being not less than six) as the Mayor of London (“the Mayor”) may from time to time appoint.
- (2) The Mayor must, subject to sub-paragraph (5), exercise the Mayor's power under sub-paragraph (1) so as to secure that the members of an MDC include at least one elected member of each relevant London council.
- (3) For the purposes of this Schedule—
  - (a) “London council” means a London borough council or the Common Council of the City of London, and
  - (b) a London council is “relevant” in relation to an MDC if any part of the MDC's area is within the council's area.
- (4) The Mayor must appoint one of the members of an MDC to chair the MDC.
- (5) In appointing a person to be a member of an MDC, the Mayor—
  - (a) must have regard to the desirability of appointing a person who has experience of, and has shown some capacity in, a matter relevant to the carrying-out of the MDC's functions, and
  - (b) must be satisfied that the person will have no financial or other interest likely to affect prejudicially the exercise of the person's functions as member.
- (6) The Mayor may require any person whom the Mayor proposes to appoint as a member to provide such information as the Mayor considers necessary for the purposes of sub-paragraph (5)(b).

##### *Terms of appointment of members*

- 2 (1) Subject as follows, a member of an MDC holds and vacates office in accordance with the member's terms of appointment.
- (2) A member may resign by serving notice on the Mayor.
- (3) A person appointed to chair an MDC—
  - (a) may resign that appointment, whether or not the person also resigns from membership of the MDC, by serving notice on the Mayor;
  - (b) ceases to hold that appointment if the person ceases to be a member of the MDC.
- (4) A person who—

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- (a) ceases to be a member of an MDC, or
  - (b) ceases to be the person appointed to chair an MDC,
- is eligible for reappointment.

- (5) The Mayor may remove a member of an MDC if—
- (a) the member has been absent from meetings of the MDC for more than 3 months without the permission of the MDC,
  - (b) the member has become bankrupt or has made an arrangement with the member's creditors,
  - (c) a debt relief order is made in respect of the member (see Part 7A of the Insolvency Act 1986) or the member is a person in respect of whom a debt relief restrictions order has effect (see Schedule 4ZB to that Act),
  - (d) the member has since being appointed ceased to be an elected member of a relevant London council and the Mayor wishes to appoint an elected member of that council to be a member of the MDC in the member's place, or
  - (e) in the opinion of the Mayor, the member has failed to comply with the member's terms of appointment or is otherwise unable, unfit or unsuitable to exercise the member's functions as a member of the MDC.

#### *Staff*

- 3
- (1) Before an MDC appoints staff it must obtain the Mayor's agreement to the terms and conditions on which the appointments are to be made.
  - (2) An MDC's power to appoint a chief executive may, in the case of the MDC's first chief executive, be exercised by the Mayor.
  - (3) An MDC's chief executive is a member of its staff.

#### *Remuneration etc: members and staff*

- 4
- (1) An MDC may pay to or in respect of its members—
    - (a) remuneration,
    - (b) travelling and other allowances, and
    - (c) sums by way of, or in respect of, pensions and gratuities.
  - (2) The Mayor is to determine rates and eligibility criteria for payments under sub-paragraph (1).
  - (3) If the Mayor thinks that there are special circumstances that make it right to compensate a person on ceasing to be a member of an MDC, the MDC may pay compensation determined by the Mayor.
  - (4) Payments under sub-paragraph (1) or (3), other than travelling and subsistence allowances, are not to be made to a member of an MDC who is also a member of the London Assembly, but this does not prevent payment of an allowance under sub-paragraph (1) to the person appointed to chair an MDC in respect of that office.
  - (5) An MDC may pay to or in respect of its staff—
    - (a) remuneration,
    - (b) travelling and other allowances, and
    - (c) sums by way of, or in respect of, pensions and gratuities.

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- (6) Rates and eligibility criteria for payments made by an MDC under sub-paragraph (5) are to be determined by the MDC with the agreement of the Mayor.
- (7) In this paragraph “member” includes former member and “staff” includes former staff.

#### *Status*

- 5 (1) An MDC (and any member of an MDC or of an MDC's staff)—
  - (a) is not the servant or agent of the Crown, and
  - (b) does not share any immunity or privilege of the Crown.
- (2) An MDC's property is not to be regarded as property of, or property held on behalf of, the Crown.

#### *Committees*

- 6 (1) An MDC may establish committees.
- (2) A committee may establish sub-committees.
- (3) A committee or sub-committee may, with the agreement of the Mayor, include persons who are not members of the MDC.

#### *Delegation*

- 7 (1) An MDC may delegate any of its functions to any of its members, committees or staff.
- (2) A committee of an MDC may delegate any function conferred on it to—
  - (a) any member of the MDC,
  - (b) any sub-committee of the committee, or
  - (c) any of the MDC's staff.
- (3) A sub-committee of a committee of an MDC may delegate any function conferred on it to—
  - (a) any member of the MDC, or
  - (b) any of the MDC's staff.

#### *Proceedings and meetings*

- 8 (1) An MDC may, subject to any directions given by the Mayor, decide—
  - (a) its own procedure,
  - (b) the procedure of any of its committees, and
  - (c) the procedure of any sub-committee of any of its committees.
- (2) Subject to sub-paragraph (1), a committee may decide the procedure of any of its sub-committees.
- (3) Subject to sub-paragraphs (1) and (2), a committee or sub-committee may decide its own procedure.
- (4) In this paragraph “procedure” includes quorum.

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- 9           The validity of any proceeding of an MDC is not affected by—
- (a) its having fewer than six members,
  - (b) there being no person appointed to chair it,
  - (c) its members not including at least one elected member of each relevant London council, or
  - (d) any defect in the appointment of any of its members or of the person appointed to chair it.

*Annual report (and “financial year”)*

- 10       (1) As soon as reasonably practicable after the end of each financial year, an MDC must—
- (a) prepare an annual report on how it has exercised its functions during the year,
  - (b) include in the report a copy of its audited statement of accounts for the year, and
  - (c) send a copy of the report to the Mayor and to the London Assembly.
- (2) “Financial year”, in relation to an MDC, means a period of 12 months ending with 31 March.

*Seal etc*

- 11       (1) The application of an MDC's seal is to be authenticated by—
- (a) the person appointed to chair the MDC, or
  - (b) another member of the MDC, or some other person, authorised (generally or specially) for that purpose.
- (2) A document purporting to be duly executed under the seal of an MDC or signed on its behalf—
- (a) is to be received in evidence, and
  - (b) is to be treated as so executed or signed unless the contrary is shown.

*House of Commons Disqualification Act 1975 (c. 24)*

- 12       In Part 2 of Schedule 1 to the House of Commons Disqualification Act 1975 (bodies all of whose members are disqualified) at the appropriate place insert— “  
 A Mayoral development corporation (see section 198 of the Localism Act 2011).”

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