

SUMMONS TO THE MEETING of the MILTON KEYNES COUNCIL

WEDNESDAY 11 JANUARY 2017
7.30 PM

COUNCIL CHAMBER, CIVIC OFFICES
CENTRAL MILTON KEYNES



Sharon Bridglalsingh
Service Director (Legal and Democratic Services)

For more information about the meeting please contact Simon Heap on (01908) 252567 or by e-mail simon.heap@milton-keynes.gov.uk

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AGENDA

Item No:

1. Procedure

(a) Apologies

(b) Minutes

To approve, and the Mayor to sign as correct records, the Minutes of the meetings of the Council held on 19 October 2016 (Items 1[a] (**Page 9**) and 1[b] (**Pages 10 to 20**)) and 28 November 2016 (Item 1[c]) (**Pages 21 to 23**)

(c) Disclosure of Interests

Councillors to declare any disclosable pecuniary interests, or personal interests (including other pecuniary interests), they may have in the business to be transacted, and officers to disclose any interests they may have in any contract to be considered.

(d) Announcements

(i) To receive any announcements.

(ii) To receive presentations from:

- Mr J Harrison (Chief Executive, Milton Keynes University Hospital NHS Foundation Trust)
- Mr M Webb (Chief Officer, Milton Keynes Clinical Commissioning Group); and
- Mr D Cox (Locality Director [South], NHS England)

2. Public Involvement

(a) Deputations and Petitions

No deputations have been submitted for consideration at this meeting.

Any petitions received will be reported at the meeting.

(b) Questions from Members of the Public

To receive questions and provide answers to questions from members of the public.

3. Business Remaining from Last Meeting

None.

4. Reports from Cabinet and Committees

(a) Budget Scrutiny Committee - 15 September 2016

The Capital Programme

“That the Council be requested to consider the establishment of a small Public Realm / minor capital works fund for each Councillor (similar to the Ward Based Budget Scheme) to spend in their Ward, or to consider expanding the existing Ward Based Budget Scheme to include such items.”

(b) Cabinet – 8 November 2016

Council Tax Base and Business Rate Baseline 2017/18 (Local Council Tax Reduction Scheme)

“That the Council adopt for 2017/18 the Local Council Tax Reduction Scheme, as adopted by the Council on 13 January 2016, with amendments that reflect changes to related benefits and to the Council Tax Reduction Schemes (Prescribed Requirements) Regulations; retaining the delegation to the Corporate Director Resources to make technical legislative changes”.

A copy of the report considered by the Cabinet is attached at Item 4(b) (**Pages 24 to 38**).

(c) Delegated Decision – 20 December 2016

LGSS – Invest to Save

“1. That, subject to local approval by Northampton Borough Council (NBC) / LGSS partners, the Council be recommended to agree to the creation of a new Joint Committee for Revenues and Benefits.

2. That upon establishment of the Joint Committee, the Council appoints a member to represent Milton Keynes Council on the Revenues and Benefits Joint Committee.”

A copy of the report considered by the Cabinet member is attached at Item 4(c) (**Pages 39 to 43**).

(d) Cabinet – 3 January 2017

(i) Walton Neighbourhood Plan

“That the Cabinet Council be recommended to make the Walton Neighbourhood Plan pursuant to the provisions of Section 38(A)(4) of the Planning and Compulsory Purchase Act 2004.”

A copy of the report considered by the Cabinet is attached at Item 4(d)(i) (**Pages 44 to 49**).

(ii) Milton Keynes Minerals Local Plan Proposed Modifications

“That the Council be recommended to approve for publication a schedule of Proposed Modifications to the Minerals Local Plan for a six week public consultation.”

A copy of the report considered by the Cabinet is attached at Item 4(d)(ii) (**Pages 50 to 57**).

- (iii) Changes to the Arrangements for the Appointment of External Auditors

“That the Council be recommended to approve the opt-in to the sector led body (Public Sector Audit Appointments) for the national procurement of external auditors and ultimately the Council’s external auditors from 2018/19, which is the Audit Committee’s recommended approach.”

A copy of the report considered by the Cabinet is attached at Item 4(d)(iii) (**Pages 58 to 66**).

- (iv) Housing Revenue Account Budget 2017/18

“That the Council be recommended to agree that the Housing Revenue Account fees and charges for 2017/18 be set in accordance with the Income and Collection Policy, apart from the proposed exceptions as set out in Annex E.”

A copy of the report considered by the Cabinet is attached at Item 4(d)(iv) (**Pages 67 to 84**).

5. Councillors’ Matters

- (a) Councillors’ Questions

Councillors to ask questions of the Leader, a Cabinet Member, the Chair of any Committee, or the Leader of a Political Group on the Council.

- (b) Notices of Motions:

- (i) Councillor Crooks – 22 November 2016

Cambridge - Milton Keynes - Oxford Corridor: Interim Report of the National Infrastructure Commission

“That this Council welcomes wholeheartedly the ambition for Milton Keynes as a part of a Cambridge - Milton Keynes - Oxford corridor demonstrated in the recently published Interim report of the National Infrastructure Commission.

That the Council refers the report to the Administration with a request that its recommendations be fully incorporated in the forthcoming First Draft of the new Local Plan (Plan:MK) with particular regard to the need for more housing, a joined up strategy linking infrastructure and homes, the completion of the east/west rail link, the need to generate a step change in transport options into CMK and the development of an Oxford - Cambridge Expressway.

That the Council also recognises the need to co-ordinate economic and spatial planning across current local government boundaries through the development of new joint governance arrangements.”

(ii) Councillor Walker – 20 December 2016

Milton Keynes' 50th Birthday

- “1. That this Council, in celebrating Milton Keynes' 50th Birthday, wishes to recognise the people who have played a significant role in the development of this amazing city, and notes that:
- (a) Milton Keynes was not just built by bricks and mortar but by the people who had a passion to build something new, something different, something special and most importantly something that built and bound communities together;
 - (b) building Milton Keynes required not only forward thinking architects and planners but also community activists, teachers, nurses, students, entrepreneurs, sportsmen and sportswomen, charity workers, politicians, business leaders and many other outstanding individuals.
2. That the Council in acknowledging this and recognising the exceptional contribution that some people have made to make Milton Keynes such a special place asks the Leader and Cabinet Member responsible to:
- (a) launch a set of awards named 'MK MASTERS' to mark this milestone in our history that will promote the outstanding contributions of the many people who have given their all to build the City and our communities;
 - (b) set up a cross party panel that includes, but is not limited to, the Mayor, Deputy Mayor and a Senior Officer who will act apolitically as the steering group for the award; the terms of reference for the panel will be to:
 - (i) Set the categories for MK MASTERS' AWARDS and open nominations;
 - (ii) Invite sponsorship from the business community;
 - (iii) Plan an awards ceremony;
 - (iv) To sift nominations and choose the successful candidates; and
 - (v) To put in place a policy so that when Milton Keynes reaches other milestones in the future the Council can again recognise those that have made a positive impact on the City.”

6. Leaders Executive Scheme of Delegation

In accordance with Cabinet Procedure Rule 1.2, the Council is invited to receive a revised version of the Leader's Executive Scheme of Delegation (Item 6) (**Pages 85 to 101**) and note that Councillor Gifford no longer has "Economic Development" listed in her portfolio as this area is now part of the Leader's responsibilities.

The Council is also advised that the Leader delegated the follow authorities on a one off basis:

- (a) Councillor Gifford to make a decision on the sale of the Council Car Park adjacent to the Agora, Wolverton (25 October 2016 and 29 November 2016); and
- (b) Councillor Middleton to defer consideration of the disposal of 10 Bryans Crescent, North Crawley (20 December 2016).

The Leader also decided to take the decision relating to the nomination of The Suffolk Punch Public House as an Asset of Community Value himself (19 December 2016).

7. Membership of Committees – Health and Wellbeing Board

The Council is asked to note the resignation of Councillor R Bradburn from the Health and Wellbeing Board and confirm Councillor D McCall as his replacement.

8. Ward Based Budgets

All Councillors have a budget of £1,000 to spend on Ward based issues, giving them the ability to make contributions to projects carried out in their local communities by local organisations.

For the period 1 April 2016 to 31 December 2016, applications totalling £15,635 have been approved. Details of the applications are attached at Item 8 (**Pages 102 to 104**).

Contact Officer: Simon Heap (Committee Services and Scrutiny Manager) – 01908 252567

Background Papers: None

9. Quarterly Report on Special Urgency Decisions

In accordance with Access to Information Procedure Rule 17.4, to note that the Provisions for Special Urgency, as set out in Access to Information Procedure Rule 16, and Overview and Scrutiny Procedure Rule 16(j) were used once during the period 1 September 2016 to 31 December 2016 in respect of the decision to submit an offer to purchase the Network Rail Quadrant Car Park, Elder Gate, Central Milton Keynes as a result of the short notice given by the vendor.

Access to Information Procedure Rule 16 provides for key decisions to be taken within the usual 5 day notice period, subject to the agreement of the Chair/Vice-Chairs of the Scrutiny Management Committee.

Overview and Scrutiny Procedure Rule 16(j) provides for the call-in procedure to not apply where the decision being taken is urgent, subject to the agreement of the Chair of the Scrutiny Management Committee in consultation with the Vice-Chairs. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interests.

Contact Officer: Simon Heap (Committee Services and Scrutiny Manager) – 01908 252567

Background Papers: None



Minutes of an EXTRAORDINARY MEETING OF MILTON KEYNES COUNCIL held on WEDNESDAY 19 OCTOBER 2016 at 7.00 pm

Present: Councillor Coventry (Mayor)
Councillors Bald, Betteley, Bint, Brackenbury, M Bradburn, R Bradburn, Brunning, Burke, Cannon, Clancy, Clifton, Crooks, Eastman, Exon, Ferrans, Ganatra, Geaney, A Geary, P Geary, Gifford, Gowans, Green, D Hopkins, V Hopkins, Jenkins, Khan, Legg, Long, Marland, D McCall, I McCall, McKenzie, McLean, Middleton, Miles, Morla, Morris, O'Neill, Patey-Smith, Petchey, Small, Wales, Wallis, Webb, P Williams and C Wilson

Aldermen Bristow and Howell and Alderwoman Saunders

Apologies: Councillors Alexander, Buckley, Hosking, McDonald, McPake, Nolan, Walker, C Williams and K Wilson and Aldermen Bartlett, Beeley and E Henderson and Alderwomen I Henderson Irons and Lloyd

Also Present: 23 members of the public

CL63 HONORARY ALDERMAN – DAVID LEWIS

Pursuant to the powers conferred on the Council by Section 249(1) of the Local Government Act 1972, as amended by Section 29 of the Local Government, Economic Development and Construction Act 2009, Councillor Marland moved and Councillor Morris seconded, that the title of Honorary Alderman be conferred on Mr David Lewis, in recognition of the eminent service he had rendered to the Council.

On being put to the vote, the motion was agreed unanimously.

RESOLVED -

That the title of Honorary Alderman be conferred on Mr David Lewis in recognition of the eminent service he had rendered to the Council.

Alderman Lewis thanked the Council for the honour.

THE MAYOR CLOSED THE MEETING AT 7.26 PM



Minutes of the MILTON KEYNES COUNCIL held on WEDNESDAY 19 OCTOBER 2016 at 7.34 pm

Present: Councillor Coventry (Mayor)
Councillors Bald, Betteley, Bint, Brackenbury, M Bradburn, R Bradburn, Brunning, Burke, Cannon, Clancy, Clifton, Crooks, Dransfield, Eastman, Exon, Ferrans, Ganatra, Geaney, A Geary, P Geary, Gifford, Gowans, Green, D Hopkins, V Hopkins, Jenkins, Khan, Legg, Long, Marland, D McCall, I McCall, McKenzie, McLean, Middleton, Miles, Morla, Morris, O'Neill, Patey-Smith, Petchey, Small, Wales, Walker, Wallis, Webb, P Williams and C Wilson

Aldermen Bristow and Howell and Alderwoman Saunders

Apologies: Councillors Alexander, Buckley, Hosking, McDonald, McPake, Nolan, C Williams and K Wilson and Aldermen Bartlett, Beeley and E Henderson and Alderwomen I Henderson Irons and Lloyd

Also Present: 29 members of the public

CL64 MINUTES

That the Minutes of the meeting of the Council held on 14 September 2016 be approved and signed by the Mayor as a correct record.

CL65 ANNOUNCEMENTS

The Mayor invited Alderman Bristow to make an announcement regarding Bletchley Park.

Alderman Bristow took the opportunity to thank the Council, on behalf of the Bletchley Park Trust, for the funding it had provided twenty five years ago which in his opinion had saved Bletchley Park from being developed as a housing site and therefore retain what was a national asset of some significance.

CL66 DEPUTATION – PUBLIC INQUIRY INTO INTU'S PLANNING APPLICATION

The Council received a deputation whose objective was to raise the Council's awareness of the implications of the public inquiry into INTU's planning application in which the Council was involved.

The Council noted the objectives of the deputation which would be referred to the next meeting of the Cabinet.

QUESTIONS FROM MEMBERS OF THE PUBLIC

- (a) Question from Mr C Westwood to Councillor Gifford (Cabinet member for Place)

Mr Westwood, referring to the planning application for the site adjoining Linford Lakes Nature Reserve which was most likely to be included in the Council's Site Allocations Plan when adopted, asked Councillor Gifford why had the Council been so slow in adopting a Site Allocations Plan.

Councillor Gifford indicated that the reason for the Council not having a five-year supply of housing land at this time, as required by Government planning policy, was mainly associated with the non-delivery of some large sites which had planning permission, but were being developed more slowly than anticipated.

Councillor Gifford also indicated that the final version of the Site Allocations Plan, which contained a number of smaller sites and would be considered later in the meeting, was intended to address the shortfall in housing land supply in the short to medium term. If the Plan was approved, it would be published for an eight-week public consultation from 26 October, after which the Plan, and any comments, would be submitted to an independent Planning Inspector for examination. If the Plan was successful at the examination, it would become the Council's five year land supply.

Councillor Gifford stated that the preparation of the site allocations plan had been a lengthy process. Councillor Gifford pointed out that it was intended to only include a small number of sites in the Plan and the site adjoining Linford Lakes was one of a number of sites not being taken forward in the final version of the Site Allocations Plan, as those sites were not deemed suitable.

- (b) Question from Mr H Gilbert to Councillor D McCall (Leader of the Liberal Democrat Group)

Mr Gilbert, referring to a statement from Councillor Crooks in the 4 August 2016 edition of the Citizen newspaper apparently welcoming with open arms the concept from Gallaghers of developing a massive satellite settlement which, in the view of Mr Gilbert, would obliterate the rural area north of Milton Keynes around Haversham, Little Linford and Castlethorpe and also impact on Newport Pagnell, asked Councillor D McCall to confirm or deny whether this was the official line of the Liberal Democrat Group.

Councillor McCall indicated that Councillor Crooks was speaking as an individual as the Liberal Democrat Group did not take a Group Line on development control issues as the Development Control Committee was a quasi-judicial committee.

As a supplementary question Mr Gilbert asked Councillor McCall to reject what he believed to be destructive and ill-judged proposals.

Councillor McCall referred to his previous answer.

CL68

PROPOSED PUBLICATION AND SUBMISSION OF SITE ALLOCATIONS PLAN

Councillor Gifford moved the following recommendation from the meeting of the Cabinet held on 6 September 2016, which was seconded by Councillor Marland:

“That the draft Site Allocations Plan be published for eight weeks’ consultation and then submission to the Secretary of State under Regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations.”

The Council heard from a member of the public during consideration of this item.

On being put to the vote the recommendation was declared carried unanimously.

RESOLVED –

That the draft Site Allocations Plan be published for eight weeks’ consultation and then submission to the Secretary of State under Regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations.

CL69

COUNCILLORS’ QUESTIONS

(a) Question from Councillor P Geary to Councillor Gifford (Cabinet member for Place)

Councillor P Geary asked Councillor Gifford if she agreed that when the Council adopted a policy it was the duty of officers and its appointed consultants to implement that policy.

Councillor Gifford indicated that was the case in normal circumstances, but she was not aware of the specific matter Councillor Geary was referring to.

As a supplementary question, Councillor P Geary, asked Councillor Gifford if she shared his disappointment with the Council’s consultants who, at the Minerals Local Plan Examination in Public, when question on changes made to the draft Plan by the Council, stated that the changes had been made by politicians and they would not have recommended them. Councillor P Geary also asked if Councillor Gifford would raise the issue with the Council’s Service Director for Planning.

Councillor Gifford indicated that she would raise the issue as requested.

- (b) Question from Councillor Ganatra to Councillor Long (Cabinet member for Health, Wellbeing and Adults)

Councillor Ganatra asked Councillor Long if the Labour Administration was aware of the new Government initiatives on rough sleeping.

Councillor Long indicated that the Administration was not aware.

As a supplementary question, Councillor Ganatra indicated that the Government was to make significantly more funds available and undertook to forward details to Councillor Long.

Councillor Long thanked Councillor Ganatra for the information and invited him and other colleagues to support any funding applications made by the Council.

- (c) Question from Councillor Ferrans to Councillor Gowans (Cabinet member for Public Realm)

Councillor Ferrans, citing an overflowing litter bin in a play area in her ward and the apparent confusion amongst officers as to who was responsible for emptying the litter bins in play areas, ask Councillor Gowans how often litter bins in play areas should be emptied.

Councillor Gowans indicated that play areas are one of the areas prioritised in the street cleansing contract, but as he did not have the specific details to hand he would provide a written reply as soon as possible.

As a supplementary question Councillor Ferrans asked if the response could clarify which team was responsible for emptying the bins.

Councillor Gowans agreed to look into the matter.

- (d) Question from Councillor Bint to Councillor Gifford (Cabinet member for Place)

Councillor Bint, referring to assurances given to the Development Control Committee that the Highway Stopping-Up Orders relating to the INTU planning application would go through the appropriate decision making processes, asked Councillor Gifford why there had been no public decision making process relating to the stopping-up of the highway, but officers were supporting the decision to stop-up the highway despite there being no apparent decision by the Council to do so.

Councillor Gifford indicated that she was unsure whether she was able to comment as the Public Inquiry was currently in progress. However, as she had not been the responsible Cabinet member when the highways matters had been dealt with she was unaware of the process adopted at the time, but she agreed to investigate and respond to Councillor Bint outside the meeting.

As a supplementary question, Councillor Bint, asked Councillor Gifford if, despite there being no apparent decision by the Council, and being aware that officers were supporting the stopping-up of the highway and instructing barristers in this respect, whether she supported the position being taken by the Council to the stopping-up of the highway.

Councillor Gifford reiterated her previous answer in that she would respond to Councillor Bint outside the meeting.

- (e) Question from Councillor McLean to Councillor Gowans (Cabinet member for Public Realm)

Councillor McLean, referred to his question asked at the June meeting of the Council about street lighting. Councillor McLean indicated that information about street lighting had still not been provided to parish and town councils despite an undertaking given by Councillor Gowans. Councillor McLean stated that this information would help local communities monitor the operation of street lights and report failures which ultimately would help this Council's performance with regard to maximising the number of street lights which were working.

Councillor McLean asked Councillor Gowans whether officers had yet informed him as to the form in which the street light data was stored and when it would be supplied to parish and town councils.

Councillor Gowans stated that all street lights should be on and working. Councillor Gowans indicated that street light information broken down by parish was not currently available. He Also indicated that this issue should be part of wider discussions on how this Council worked with parish and town councils as it was important that this Council did not dictate the relationship, rather the parish and town councils should be telling this Council how best the councils could work together.

As a supplementary question, Councillor McLean, indicating that despite the Service Director (Public Realm) having been notified of a number of street lights that were not working they had still not been repaired, asked Councillor Gowans when would data be provide to parish and town councils.

Councillor Gowans indicated that data would be supplied as soon as possible, but it was important that the Council worked together with parish and town councils in the best way possible and did not impose ways of working on them.

- (f) Question from Councillor Geaney to Councillor Middleton (Cabinet member for Resources and Innovation)

Councillor Geaney, referring to the potential £2 million overspend on the Residual Waste Treatment Plant, asked Councillor Middleton what services would be cut to meet the overspend.

Councillor Middleton indicated that delays to the Residual Waste Treatment Plant coming on line were as a result of a sub-contractor going into administration. Also the Council's Waste Reserve Fund would meet a substantial amount of the extra cost. Councillor Middleton suggested that the project should be welcomed as it would save the Council up to £100 million over its 25 year life.

As a supplementary question, Councillor Geaney reiterated her original question.

Councillor Middleton indicated that it was not as simple as what services would be cut and this matter was just one element of the overall savings of £22 million the Council needed to make.

- (g) Question from Councillor Bald to Councillor Middleton (Cabinet member for Resources and Innovation)

Councillor Bald, referring to what she believed to be a premature decision taken in July 2014 to borrow £95 million, which had already cost the Council Tax payers £7 million in interest charges and would cost a further £2.8 million in the years to come, a sum which would have funded the Council's landscaping costs for three years, asked Councillor Middleton if he regretted both allowing the decision to be taken and the burden it was placing on the Council Tax Payer.

Councillor Middleton indicated that with hindsight a different decision might have been taken and the additional cost to the Council Tax payer were regrettable. However, it appeared the correct decision at the time based on the best information available from the Council's Financial Advisers and the forecasts by the Governor of the Bank of England. Councillor Middleton stated that there had been a number of benefits from the borrowing undertaking, which included the development of the Residual Waste Treatment Plant and the savings of up to £100 million the Plant would deliver.

As a supplementary question, Councillor Bald, suggesting that Councillor Middleton should have consulted with people with business and financial knowledge before making such a big decision, sought his assurance that in future he would consult with such experts. Councillor Bald also reiterated the support of the Conservative Group for the Waste Treatment Plant.

Councillor Middleton indicated that he was happy to take soundings from across the Chamber, but the Council had used expert consultants used by many local authorities before taking the decision to borrow the money and also took into account the views expressed by the Governor of the Bank of England on future interest rates.

- (h) Question from Councillor A Geary to Councillor Gowans (Cabinet member for Public Realm)

Councillor A Geary, referring to a road safety scheme undertaken and funded by Castlethorpe Parish Council, in conjunction with this Council, asked Councillor Gowans if he thought the additional £720 licence fee charged by this Council, without any notice, for digging holes in the verge was justified and whether he thought the way this was done without notice was the way he would want the Council to be seen as acting.

Councillor Gowans indicated that without knowing the full details, the Council's actions did seem surprising. Councillor Gowans also indicated that he agreed with the sentiment of the question. Councillor Gowans invited Councillor Geary to send him more details so that he could look into the matter.

As a supplementary question Councillor A Geary, indicating that he was happy to provide further details and pointing out that he was not asking for a refund for the Parish Council, reiterated his original question as to whether Councillor Gowans believed that the £720 licence fee charged by this Council, without any notice, was justified and whether he thought the Council had acted in an appropriate way.

Councillor Gowans responded that as he did not know the details he would look into the matter.

- (i) Question from Councillor Walker to Councillor Gifford (Cabinet member for Place)

Councillor Walker, referring to the initiative by BT to offer telephone boxes, including the old red telephone boxes, to local communities for £1 rather than remove them, asked Councillor Gifford if she was willing to work with local communities to find innovative uses for the boxes and provide funding for the purchase.

Councillor Gifford indicated that she was aware of the initiative and agreed look into the possibility of supporting communities in purchasing the boxes and putting them to community use.

- (j) Question from Councillor Green to Councillor Gowans (Cabinet member for Public Realm)

Councillor Green, referring to her previous question asked at the Council meeting on 13 January 2016, asked Councillor Gowans when the highway signs in the rural areas would be cleaned as many were still covered in algae and were unreadable.

Councillor Gowans, referring to the limited budget available, indicated that signs would be considered for cleaning if there was a safety issue. Councillor Gowans invited Councillor Green to notify him of any signs which she considered by their state were likely to cause a risk to road safety.

As a supplementary question, Councillor Green, asked Councillor Gowans whether he expected residents to clean the signs themselves and, if the Council Tax did not cover the cleaning of signs, what did it cover.

Councillor Gowans indicated that the Council Tax contributed to 240 different services provided by the Council.

CL71 CENTRAL MILTON KEYNES MARKET

The Council noted that Councillor Walker had withdrawn his motion in respect of Milton Keynes Market.

CL72 PLAN:MK

Councillor A Geary moved the following motion which was seconded by Councillor Green:

“That the Council:

- (a) recognises the huge level of uncertainty placed upon the rural areas and areas designated as Open Countryside in the Local Plan caused by the lack of a 5 year land supply in Milton Keynes;
- (b) welcomes the decision of Cabinet to drive through the Site Allocations Process in order to ensure a short and medium term solution;
- (c) recognises that the only way to provide the absolute clarity and certainty required for the communities of Milton Keynes is to ensure the implementation of Plan:MK at the earliest opportunity;
- (d) expresses concern that the timeline for Plan:MK has slipped and is now unlikely to be delivered before early to mid-2018, a slippage of over 12 months, leaving the Council very exposed and open to speculative planning applications which could cut across, or be inconsistent with, the Vision MK 2050.
- (e) recognises the considerable strain being placed on the Council’s planning team which is simultaneously managing Plan:MK, including the development of planning policies to underpin both Plan:MK and MK 2050, on top of routine planning work;
- (f) calls upon the Cabinet to allocate one off additional resources in 2016/17 to the planning team to speed up the process of the implementation of Plan:MK in order to provide certainty and clarity within the planning process and to ensure that the future ambitions for growth and development of Milton Keynes are realised in an orderly and structured way, in line with Plan:MK; and

- (g) requests that the Budget Scrutiny Committee takes into account the spirit and intentions of this motion and includes additional resourcing proposals for Plan:MK in its report to Cabinet in order to influence the formulation of the 2017/18 Council Budget.”

The Council heard from a member of the public during consideration of the motion.

On being put to the vote the motion was declared lost with 19 councillors voting in favour, 29 councillors voting against and 1 councillors abstaining from voting.

CL73

PARTNERSHIP WORKING

Councillor P Geary moved the following motion which was seconded by Councillor Jenkins, on which a recorded vote was requested:

“That this Council:

- (a) fully understands that to achieve the best for the residents of Milton Keynes that working in partnership with other people and organisations is fundamental to deliver the services that are required both now and in the future;
- (b) acknowledges that this is in harmony with the Council's position of being a Co-operative Council;
- (c) understands that for this Council to be able to work effectively with other organisations the reputation of Milton Keynes Council is paramount and that the Council must:
 - (i) be a good partner;
 - (ii) honour agreements; and
 - (iii) at all times treat partner organisations as equals and aim to work with them;
- (d) acknowledges that it takes many years to build up a good reputation and only a few seconds to destroy it;
- (e) understands that recently there have been a number of incidents where the Council's reputation has been damaged and that this may affect the Council's ability to work with organisations in the future;
- (f) affirms that as councillors, in future, we expect that the Council will work collaboratively and constructively with partners and will at all times look to build trust and should only give ultimatums when negotiations are completely failing;
- (g) further acknowledges that parish councils and other organisations do not have limitless resources and that:
 - (i) they too have their own priorities to follow; and

- (ii) in the past a fragmented approach has been taken to the transfer of services to parishes and this approach is incompatible with good service planning and puts parish and town councils in an impossible position, unable to effectively plan and manage their budgets and precepts; and
- (h) asks Cabinet to work with the Corporate Leadership Team to ensure that:
 - (i) the negotiating approach taken by some in this Council of brinkmanship and threats of cuts stops now;
 - (ii) a whole Council approach is taken to the transfer of services so communities can see the whole picture and plan effectively; and
 - (iii) complaints by partner organisations will be fully investigated and approaches changed if necessary.”

The voting was as follows:

FOR: Councillors Bald, Bint, Clancy, Dransfield, Ganatra, Geaney, A Geary, P Geary, Green, D Hopkins, V Hopkins, Jenkins, McLean, Morla, Morris, Patey-Smith, Small and Walker (18)

AGAINST: Councillors Betteley, Burke, Clifton, Coventry, Gifford, Gowans, Khan, Legg, Long, Marland, McKenzie, Middleton, Miles, O’Neill, Petchey, Wales, Wallis, Webb, P Williams and C Wilson (20)

ABSTENTIONS: Councillors Brackenbury, M Bradburn, R Bradburn, Cannon, Crooks, Eastman, Exon, Ferrans, D McCall and I McCall (10)

The motion was declared lost.

CL74

MENTAL HEALTH

Councillor Crooks moved the following motion which was seconded by Councillor I McCall:

“That this Council:

- (a) notes that mental health challenges affect one in four people every year;
- (b) believes that it is now essential to achieve parity of treatment across physical and mental health;
- (c) regrets continuing Government cutbacks in the provision of resources and professional staffing in this area;
- (d) calls for this to be remedied in the anticipated re-setting of the public finances in the Autumn Statement;

- (e) asks that the Council give full recognition to mental health in its own forthcoming budget setting; and
- (f) urges the Council to exercise strong leadership in promoting public understanding of mental health and reducing stigma and discrimination.”

On being put to the vote the motion was declared carried unanimously.

RESOLVED -

That this Council:

- (a) notes that mental health challenges affect one in four people every year;
- (b) believes that it is now essential to achieve parity of treatment across physical and mental health;
- (c) regrets continuing Government cutbacks in the provision of resources and professional staffing in this area;
- (d) calls for this to be remedied in the anticipated re-setting of the public finances in the Autumn Statement;
- (e) asks that the Council give full recognition to mental health in its own forthcoming budget setting; and
- (f) urges the Council to exercise strong leadership in promoting public understanding of mental health and reducing stigma and discrimination.

CL75 LEADERS EXECUTIVE SCHEME OF DELEGATION

The Council received the Leader’s Executive Scheme of Delegation, noting the changes to Cabinet portfolios.

CL76 MEMBERSHIP OF COMMITTEES – CHILDREN AND YOUNG PEOPLE COMMITTEE

The Council, noting the resignation of Councillor Brunning from the Children and Young People Committee, considered confirming Councillor Buckley as her replacement.

RESOLVED –

That the appointment of Councillor Buckley to replace Councillor Brunning as a member of the Children and Young People Committee be confirmed.

CL77 WARD BASED BUDGETS

The Council noted that for the period 1 April 2016 to 30 September 2016, 14 Ward Based Budget applications totalling £8,610 had been approved.

THE MAYOR CLOSED THE MEETING AT 10:07 PM



Minutes of the MILTON KEYNES COUNCIL held on MONDAY 28 NOVEMBER 2016 at 7.00 pm

Present: Councillor Coventry (Mayor)
Councillors Alexander, Bald, Betteley, Bint, Brackenbury, M Bradburn, R Bradburn, Brunning, Buckley, Cannon, Clancy, Crooks, Eastman, Exon, Ganatra, P Geary, Gifford, Gowans, Green, D Hopkins, V Hopkins, Hosking, Jenkins, Khan, Marland, D McCall, McDonald, McKenzie, McLean, Middleton, Miles, Morla, Morris, Nolan, O'Neill, Patey-Smith, Petchey, Wales, Walker, Wallis, Webb, P Williams and K Wilson

Apologies: Councillors Burke, Clifton, Dransfield, Ferrans, Geaney, A Geary, Legg, Long, I McCall, McPake, Small and C Williams and Aldermen Bartlett, Beeley, Bristow, E Henderson and Howell and Alderwomen I Henderson Irons, Lloyd and Saunders

CL77 ANNOUNCEMENTS

The Mayor announced the recent deaths of former councillors Camilla Turnbull and Dick O'Brien.

The Mayor informed the Council that former Councillor Turnbull had served two terms as a councillor, serving as a Ward Councillor for Emerson Valley from 1996 to 2001 and for Whaddon from 2007 to 2010. She was Chair of the Children and Youth Committee during 2000-2001 and also Vice Chair of the Committee in 2001-2002.

Former Councillor O'Brien was a Councillor for the Woughton Ward from 1988 to 1996, serving for a time as the Chair of the Direct Services Organisation Board. He was also a Woughton Parish Councillor and Chairman of that Council for many years.

The Council stood in silence as a mark of respect.

CL78 APPOINTMENT OF STATUTORY OFFICERS - OFFICER RESPONSIBLE FOR THE ADMINISTRATION OF FINANCIAL AFFAIRS AND APPOINTMENT OF THE MONITORING OFFICER

The Mayor moved and the Deputy Mayor seconded:

- "1. That the designation of Nicole Jones as the Council's officer responsible for the administration of financial affairs (Section 151 Officer) be confirmed.
2. That, in the event of the nominated Chief Finance Officer, or their nominated Deputy, being for any reason unable to act or of the post becoming vacant, the Chief Executive, shall

nominate an appropriate officer to act in their stead until the point at which a meeting of the Council takes place to formally consider the appointment.

3. That the designation of Sharon Bridglalsingh as the Council's Monitoring Officer be confirmed.
4. That in the event of the nominated Monitoring Officer, or their nominated Deputy, being for any reason unable to act or of the post becoming vacant, the Chief Executive, or in their absence, the Corporate Director of Resources shall nominate an appropriate officer to act in their stead until the point at which a meeting of the Council takes place to formally consider the appointment."

On being put to the vote the motion was declared carried unanimously.

RESOLVED –

1. That the designation of Nicole Jones as the Council's officer responsible for the administration of financial affairs (Section 151 Officer) be confirmed.
2. That, in the event of the nominated Chief Finance Officer, or their nominated Deputy, being for any reason unable to act or of the post becoming vacant, the Chief Executive, shall nominate an appropriate officer to act in their stead until the point at which a meeting of the Council takes place to formally consider the appointment.
3. That the designation of Sharon Bridglalsingh as the Council's Monitoring Officer be confirmed.
4. That in the event of the nominated Monitoring Officer, or their nominated Deputy, being for any reason unable to act or of the post becoming vacant, the Chief Executive, or in their absence, the Corporate Director of Resources shall nominate an appropriate officer to act in their stead until the point at which a meeting of the Council takes place to formally consider the appointment.

CL79

APPOINTMENTS TO THE BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY, BUDGET SCRUTINY COMMITTEE AND DEVELOPMENT CONTROL COMMITTEE

The Mayor, in accordance with Section 100(B)(4)(b) ruled that the Council should consider appointments to the Buckinghamshire and Milton Keynes Fire Authority, the Budget Scrutiny Committee and the Development Control Committee in order that the changes could take effect before the next meetings of the respective bodies.

RESOLVED –

That the following changes to memberships be confirmed:

- (a) Buckinghamshire and Milton Keynes Fire Authority
Councillor McDonald to replace Councillor Dransfield
- (b) Budget Scrutiny Committee
Councillor R Bradburn to replace Councillor Brackenbury
- (c) Development Control Committee
Councillor P Williams to replace Councillor Clifton

THE MAYOR CLOSED THE MEETING AT 7:06 PM

Wards Affected:

All Wards

ITEM 4(b)

MILTON KEYNES COUNCIL

11 JANUARY 2017

Report considered by Cabinet – 8 November 2016

COUNCIL TAX BASE AND BUSINESS RATE BASELINE 2017/18

Responsible Cabinet Member: Councillor Rob Middleton (Resources and Innovation)

Report Sponsor: Tim Hannam, Corporate Director Resources Tel: 01908 252756

Author and Contact: Nicole Jones, Service Director Finance and Resources Tel: 01908 252079.

Executive Summary 2017/18

Council Tax Base 2017/18

The report sets out; the main assumptions used in calculating the Council Tax Base for 2017/18; confirms the level of funding the Council will pay to town and parish councils for Local Council Tax Reduction and how this funding will be distributed.

It also sets out proposed amendments to the Local Council Tax Reduction Scheme, to retain administrative simplicity and to reflect legislative changes to the Prescribed Council Tax Reduction Regulations and other related welfare benefit changes.

Business Rates Baseline 2017/18

The Local Government Finance Act 2012, requires authorities to make calculations, and supply information on their anticipated collectable business rate income for the following year.

The legislation also introduced a new local government funding model, which has been operational since April 2013. This allows for a proportion of a local authority's estimated business rate income to be retained, as part of its Government funding. The retained funding is made up of two elements; the Business Rates Funding Baseline and a proportion of additional income which relates to the growth achieved in the financial year.

The report outlines the key financial assumptions and risks to the Council in estimating future business rate income. The setting of the Business Rates Baseline is delegated to the Council's Section 151 Officer to enable a timely forecast.

1. Recommendations

- 1.1 That the 2017/18 Tax Base be set at 81,878.87 Band D equivalent properties.
- 1.2 That the provision for uncollectable amounts of Council Tax for 2017/18 be set at 1.6% producing an expected collection rate of 98.4%.
- 1.3 That the proposal to charge the Empty Homes Premium be approved.
- 1.4 That the proposed approach to the application of Council Tax discounts be approved.

- 1.5 That the proposed 2017/18 funding contribution to parish and town councils of £530,000, as set out in section 5 of this report be noted and recommended to Council for approval as part of the final Budget.
- 1.6 That the distribution methodology to be used to allocate funding from Milton Keynes Council to parish and town councils as set out in Annex D be approved.
- 1.7 That the Cabinet recommends to Council that the Local Council Tax Reduction Scheme, as adopted by the Council on 13 January 2016, be continued for 2017/18, with amendments that reflect changes to related benefits and to the Council Tax Reduction Schemes (Prescribed Requirements) Regulations; retaining the delegation to the Corporate Director of Resources to make technical legislative changes.
- 1.8 That the Council's current estimate of the 2017/18 Business Rates Baseline be noted, retaining the delegation to the Corporate Director of Resources to finalise this Baseline, based on the latest data for submission to Department for Communities and Local Government in January.

COUNCIL TAX BASE 2017/18

2. Purpose

- 2.1 This section of the report sets out the main assumptions used in calculating the Council Tax Base for 2017/18, the level of Council funding to be distributed to parish and town councils in 2017/18 to offset a proportion of their financial loss as a result of Local Council Tax Reduction Scheme (LCTRS), and the funding distribution between the individual parishes and town councils.

3. Background

- 3.1 In accordance with the Local Government Finance Act 1992 and related Statutory Instruments, the Council is obliged to set its Council Tax Base for the forthcoming financial year by 31 January 2017.

Local Council Tax Reduction Scheme (LCTRS)

- 3.2 From April 2013, the change from Council Tax Benefit to Local Council Tax Reduction means rather than receiving a benefit to offset the cost of Council Tax, eligible residents now receive a discount, this reduces the Tax Base for all precepting authorities.
- 3.3 Part of the potential loss created by this Tax Base reduction is offset by Government funding, which forms part of the Council's RSG as well as an amount of funding intended to partially offset the impact of the Tax Base reduction for town and parish councils.
- 3.4 In January 2016, the Council approved the LCTRS for 2016/17. Schedule 4 of the Local Government Finance Act 2012 requires, for each financial year, that each billing authority must consider whether to revise its scheme or to replace it with another scheme. The authority must make any revision to its scheme, or any replacement scheme, no later than 31 January in the financial year preceding that for which the revision or replacement scheme is to have effect.

- 3.5 This report recommends continuing with the current LCTRS for 2017/18. This would mean the maximum level of Council Tax support for working age claimants would be maintained at 80%. The only changes that would be made are to incorporate legislative amendments to the Prescribed Scheme in respect of Council Tax Reduction and to other related benefits, where certain changes need to be replicated in the LCTRS to retain administrative simplicity and to maintain the status quo in respect of the cost of the Scheme.
- 3.6 A change to the Working Age Scheme was adopted in January 2014 which allows for the Working Age Scheme to be amended in line with changes to the amounts used in the Prescribed Scheme and the Housing Benefit Regulations, as well as amendments to provide parity with changes made to associated legislation. The approval of these changes has been delegated to the Corporate Director of Resources.
- 3.7 Any other revisions to the scheme can only be made following consultation with any major precepting authority and such other persons as the authority considers are likely to have an interest in the scheme.
- 3.8 Details of the proposed amendments are provided at **Annex E**.
- 3.9 The changes to the Tax Base as a result of the LCTRS are calculated, based on this recommended policy.

4. Council Tax Base Setting

- 4.1 The setting of a realistic and prudent collection rate for Council Tax is an essential component of the Council's overall budget strategy. If the collection rate set is over-optimistic, this may result in a deficit on the collection fund at the end of 2017/18, which would result in an in-year overspend and a budget correction in the 2018/19 Budget. The process and key assumptions to set the Tax Base for 2017/18 are as follows;
- The calculation of the Tax Base for precepting purposes is based on the number of properties at 12 September 2016 and the discounts applicable on 3 October 2016.
 - The properties and discounts are then increased for estimated new builds within the 2016/17 and 2017/18 financial years, taking into consideration the anticipated timing of the new builds.
 - A review of historic LCTRS claimant trends, in conjunction with an assessment of future risks to inform the 2017/18 projection, which reduces the Tax Base accordingly.
 - An estimate is then made for non-collection which reduces the Tax Base further. This is informed by current income collection levels and the anticipated future risks to collection as a result of the economic landscape and national Government policies such as Universal Credit and the wider Welfare Reforms.
- 4.2 Milton Keynes is a high growth area the Council Tax Base is therefore expected to grow by 1,229 Band D equivalents within 2017/18.

- 4.3 The amount of Local Council Tax Reductions was lower than anticipated this year, mainly as a result of a higher than anticipated increase in claimants moving into employment; therefore the LCTRS Band D equivalent forecast for 2017/18 will be reduced to 9,818 from the current year forecast of 10,107. This assumes the local economy will continue to improve, meaning fewer people will be entitled to discounts.
- 4.4 In implementing the LCTRS, Milton Keynes Council invested in a discretionary fund; created and promoted easier ways to pay and worked extensively with the individuals who were affected by the change. As a result, collection rates were better than initially predicted, helping to maintain the overall collection rate.
- 4.5 Based on prior year and current in-year performance; the estimated Council Tax collection rate applied to the Tax Base remains at is 98.4%. The collection rate is still a prudent estimate and is informed by the potential adverse effect to income collection levels as a result of the introduction of Universal Credit in Milton Keynes and the wider Welfare Reform agenda.

Empty Homes Premium

- 4.6 Prior to 1 April 2013 billing authorities could charge up to a maximum of 100% council tax on dwellings that have been empty for more than two years. From April 2013 Section 12 of the Local Government Finance Act 2012 amended Section 11B of the Local Government Finance Act 1992 to allow local authorities in England to set a council tax rate for long-term empty properties of up to 150% of the normal liability. A long-term empty property must have been unoccupied and substantially unfurnished for at least two years. This is known as the Empty Homes Premium.
- 4.7 Guidance was issued by the Government in May 2013 which included a wish for any property genuinely for sale or rent not to be subject to the premium.
- 4.8 There are currently 148 properties which could be liable for the premium. Based on current Council Tax levels the additional income to the Collection Fund would be £96k. Milton Keynes share of this income is approximately £80k. However, it should be noted that the premium on 17 of the properties is currently liable to be paid by the Council at a cost of £10k therefore the net benefit to the Council is £70k.
- 4.9 There is a risk that the work involved in administering the empty homes premium will not justify the potential returns. Additional checks will be necessary to establish whether or not the exemption criteria are met and to establish which property is genuinely for sale or rent. However, if the charging of the premium is approved and it succeeds in its ultimate aim of returning long term empty property into domestic use, not only will the housing supply be increased but also the Council's entitlement to New Homes Bonus, albeit the future of the scheme has yet to be confirmed.

Review of Discounts

- 4.10 It is proposed that a wholesale review of the application of the single person and other discounts criteria is undertaken to maximise Council Tax income. The service will take a more robust approach to ensure that the discounts applied meet the necessary criteria. This is anticipated to generate an additional £140k to the Collection Fund in 2017/18 of which Milton Keynes share is approximately £120k.
- 4.11 These assumptions result in a proposed Tax Base of 81,878.87 Band D equivalents, which would result in Council Tax income of £102.6m for Milton Keynes Council (based on a 3.95% Council Tax increase, including 2% adult social care precept, which is the current planning assumption).
- 4.12 The Tax Base calculation (set out at Annex A) must be approved by 31 January 2017; but an earlier decision supports key partners in making decisions on their Budget. Annexes B and C analyse the figures at parish level in terms of Band D equivalents and numbers of properties respectively.
- 4.13 The following table summarises the position:

Table 1: Tax Base 2017/18 – Band D equivalents

Total of Band D Equivalents	91,691.49
Provision for Valuation Change	960.00
Review of Discounts & Empty Homes Premium	156.86
Net Impact of Local Council Tax Reductions	(9,817.64)
Provision for Non Collection	(1,111.82)
Total Band D equivalent properties	81,878.87

5. Funding for Parishes

- 5.1 The introduction of the LCTRS reduces the Tax Base, and therefore the Council Tax income collected by individual precepting bodies. However, central Government funding to major preceptors offsets a significant proportion of the impact for this change (although this is reducing each year).
- 5.2 Additional Government funding, as part of Revenue Support Grant (RSG) is also provided to major precepting authorities on behalf of town and parish councils to offset a proportion of their reduced Tax Base as a result of the scheme. From April 2014 this grant has formed part of the Council's RSG.
- 5.3 The RSG is a non ring-fenced source of funding that the Council receives from the Government for the provision of statutory functions and local service provision. Over the medium term it is expected that RSG will continue to reduce year on year and will eventually be phased out as funding moves to the new Business Rates Retention scheme from 2020/21.

- 5.4 However, the Council Plan sets out the commitment to maintain support to parishes and therefore for 2017/18 the funding for parish and town councils will remain at £530k.
- 5.5 The financial impact of the Local Council Tax Reduction Scheme to town and parish councils (before Council funding) is estimated to result in an overall loss of £873k for 2017/18, based on 2016/17 precept per Band D equivalent levels; this reflects that the parishes with the majority of discounts are also those who raise a higher than average parish precept.
- 5.6 After the Council has transferred £530k of funding, this will result in a total loss to town and parish councils of £343k (less than 6% of the total town and parish precept income) for 2017/18.
- 5.7 However, this estimated loss does not take into account the potential additional income which could be raised due to the increase in estimated property numbers from 2016/17. Based on the 2016/17 average precept per Band D equivalent the increase in the Tax Base as a result of housing growth could generate an additional £89k parish precept income in 2017/18 reducing the overall loss to £254k (less than 5% of total town and parish precept income).
- 5.8 The provisional funding allocations to parish and town councils are illustrated in Annex D.

BUSINESS RATES BASELINE 2017/18

6. Purpose

- 6.1 This section of the report sets out the main assumptions which have informed the estimation of the 2017/18 Business Rate Baseline and how the anticipated Business Rates Baseline informs the Council's 2017/18 Budget.

7. Background

- 7.1 The Local Government Finance Act 2012 gave local authorities the power to retain a proportion of funds obtained from business rates in their area.
- 7.2 The changes under the 'Localisation of Business Rates' mean that from April 2013 local authorities retain a share of the income they collect from business rates as funding to meet the cost of service provision. Before this date, all business rates collected in England were paid to central Government from the billing authorities, and a proportion was then paid back to each authority as Formula Grant.
- 7.3 The Department for Communities and Local Government (DCLG) guidance indicates that each billing authority should formally set a Business Rate Baseline each year. This baseline will be the authority's estimate of the business rates it forecasts to collect in the following financial year, offset by any reductions such as reliefs and estimated cost of appeals.
- 7.4 The calculation of the Council's 2017/18 Business Rate Baseline must be formally approved, and then be submitted to DCLG through a statutory return by 31 January 2017.

- 7.5 This report includes the latest set of Business Rates forecasts, based on the best information available at the present time; however to ensure the Council has the ability to forecast any changes to the estimated Business Rate yield from the date of this report, up to the end of January; the Cabinet agreed in December 2014 that the final decision on setting the annual Business Rates Baseline is delegated to the Council's S151 Officer.
- 7.6 2017/18 is the first year that business rates will have been revalued since the Local Government finance system has changed. The methodology for adjusting for its impact is currently out for consultation. At present there are two major uncertainties affecting the estimates for 2017/18, these are
1. Whether there will be any additional adjustments for higher than average appeals
 2. Whether the impact of additional reliefs will be adjusted
- 7.7 These factors and the outcome of this consultation will influence the final business rates baseline.

8. Setting the Business Rates Baseline

- 8.1 The Milton Keynes Council's estimated business rate income for 2017/18 is £150.9m and is calculated as follows:
- The total gross business rate yield which is the rateable value of properties within Milton Keynes, multiplied by the non-domestic rating multiplier.
 - Deductions are then made for estimated mandatory and discretionary reliefs and exemptions, based local intelligence.
 - Deductions are also made for estimated losses in collection, based on historical trends and local intelligence and to meet the costs of collection. The calculation for the cost of collection deduction is prescribed by Government.
 - Deductions also made for the estimated impact of changes to rateable values through new notified appeals, which may not be determined for a number of years.
 - Finally an adjustment is made to reflect local intelligence on the estimated impact of anticipated future changes to business activity for the year. This has been based on known changes and experience of recent business rate growth.

9. Local Government Funding Model

- 9.1 As a result of the Local Government Finance Act 2012 legislation, the funding model for local government changed from April 2013.
- 9.2 The current retention of business rates methodology is complex. It means that 50% of business rates collected by a billing authority from April 2013, will be paid to Central Government, with the remaining 50% being held locally. The local element is known as the retained business rates, of which, Milton Keynes Council is required to pay 1% of the total business rate yield to Buckinghamshire and Milton Keynes Fire Authority.

- 9.3 The retained business rates are then reduced by a Tariff and a Levy on business rate growth. The tariff payment is made to central Government in order to fund other authorities where their business rates are disproportionately low. The Tariff and Levy means that the Council is estimated to retain £47.1m of the £150.9m of business rates forecast to be collected in 2017/18
- 9.4 The retained business rates, along with the Revenue Support Grant, forms Milton Keynes Council's Government funding.
- 9.5 The retained business rates are made up of a Baseline Funding level which reflects the Government estimate of funding for Milton Keynes Council, and an allowance for growth.
- 9.6 This allowance for growth is based on the actual business rates collected, compared to the Government's estimate of the amount Milton Keynes Council will collect, less the levy applied to this growth. It results in a £0.30p return, for every £1 growth of business rates collected by the Council.
- 9.7 Each year, the Business Rates Funding level, Tariffs and Top-ups are uplifted for inflation.
- 9.8 Central Government measures to support local enterprise through the provision of business rate discounts, reliefs and an inflation cap reduce the overall business rate yield and are reimbursed to local authorities through a Section 31 grant. The Council is anticipating to receive £1.7m of S31 grant in 2017/18 to offset the resulting loss of business rate income.

10. Estimated Business Rate Distribution

- 10.1 The anticipated 2017/18 Business Rate Baseline for Milton Keynes Council is £150.9m, of this value £47.1m is estimated to be retained by the Council as Government funding, which includes £1.7m of business rate reimbursements through a S31 grant.
- 10.2 The Council's estimated retained funding is made up of £43m which is the estimated Baseline Funding level for Milton Keynes (central government are yet to confirm this amount for 2017/18), and £4.1m of forecast business rate growth above the baseline, which includes the financial benefit of growth including a number of commercial developments in Magna Park and Eagle Farm.
- 10.3 Table 2 shows the forecast 2017/18 Business Rate Baseline distributed through DCLG's funding model.

Table 2: Business Rates Baseline Distribution

Anticipated Business Rate Distribution	2017/18 Value (£m)
Milton Keynes Council Business Rate Baseline (total business rates collected after deductions)	(150.9)
<i>50% Central share paid to Government</i>	75.5
<i>1% share paid to Buckinghamshire and Milton Keynes Fire Authority.</i>	1.5
<i>Deductions for Tariff paid to Central Government</i>	26.9
<i>Deduction for Levy paid to Central Government</i>	1.8
<i>Section 31 grant receivable</i>	(1.7)
<i>Renewable energy (100% retained)</i>	(0.2)
Milton Keynes Council forecast retained Business Rates Funding	(47.1)

11. Risks

11.1 The scheme has now been in operation for three full financial years. During this time, we have experienced a number of issues which highlight the risks in this funding regime. The major risks are as follows:

- There have been issues with delays to properties being entered onto the Valuation List, this has impacted on the timing of receipts. We have known properties be delayed for up to two years, due to capacity issues and technical valuation issues in the Valuation Office. This makes income unpredictable.
- Appeals have caused a major uncertainty in the system nationally; this is particularly evident in Milton Keynes. We currently have over 1,500 appeals outstanding and current forecasts indicate around 400 will be resolved by the Valuation Office in the current year. Again, this makes it difficult to determine income levels in year and the underlying baseline level of income, as appeals are often backdated for several years.
- There have also been a number of appeals addressed at a national level, so a ruling is given which impacts on our local income potentially without us being aware that the case is being considered. The Council works closely with the Valuation Office to understand where these risks may apply.

- National Government make changes to the system, for example moving from RPI to CPI as a measure of inflation and extending small business rate relief. This has reduced the growth in income locally by £1.5m per year.
- Over the last three years, the economy in Milton Keynes has continued to grow, but there is a risk that if the economy started to decline income would fall. The safety net operates to protect against losses of more than 7.5% from the Business Rates Baseline. Based on current projected income for 2016/17, we could lose £13m of income, before we would receive any support from Government. This change in funding reflects a very different level of risk for local authorities compared to the previous fixed grant regime.
- In addition as noted in paragraph 7.6, the business rates system is currently being revalued which will impact on the retention system. The current proposed approach would increase the risk exposure for Milton Keynes due to appeals (often on properties still with previous appeals outstanding) and due to the treatment of reliefs. Consultation on this approach is currently ongoing, the final estimate of retained business rates will reflect the best estimates in late January.

12. The Future Outlook for Business Rates Retention

Business Rates Retention

- 12.1 The Government consulted on changes to the Business Rates Retention System over the summer and its response which are expected to come into operation from 2019/20, although aspects may change sooner. Local authorities are working with DCLG to develop the design for the future.
- 12.2 The main principle is that local government as a whole will retain 100% of all business rates collected and will take on additional roles and responsibilities to offset the additional funding that would be generated. This however, does not mean that each local authority will keep all the income retained locally. There will still be a system of redistribution and some top-slicing to enable a safety net function to operate. It is too early to determine what the likely impact of these changes will mean for Milton Keynes.

Business Rates Revaluation

- 12.3 The Government is also currently consulting on the methodology for adjusting for the revaluation of business rates which takes effect from April, 2017. When the Government introduced the Business Rates Retention Scheme it signalled that it would adjust each authorities tariff or top up following a revaluation to ensure that retained income would be the same after revaluation as before. The revised rateable value for Milton Keynes has not increased as much as the national average and therefore a reduction in the tariff to compensate for this is anticipated. The estimated £1.6m reduction in the tariff for Milton Keynes has been reflected in the baseline calculation in Table 2.

- 12.4 The adjusted tariff is based on the draft revaluation list published in September 2016. The final list will not be available until early 2017. As this is too late for the local government finance settlement when the tariffs/top ups are set, a correction for any change to the tariff will need to be made in 2018/19.
- 12.5 We are currently reviewing the detailed proposals in this consultation but have concerns that the full impact of appeals and mandatory reliefs on the level of retained business rates have not been fully considered.

13. Annexes

Annex A - Calculation of Council Tax Base 2017/18.

Annex B - Council Tax Base 2017/18 by Parish and Town Council.

Annex C - Council Tax Base before Discounts and Exemptions.

Annex D - Parish and Town Council Funding Allocations.

Annex E – Local Council Tax Reduction 2017/17 Amendments

14. Implications

14.1 Policy

14.2 Resources and Risk

No	Capital	Yes	Revenue	No	Accommodation
No	IT	Yes	Medium Term Plan	No	Asset Management

14.3 Legal

Local Government Finance Act 1992, Local Government Finance Act 2003

Local Government Finance Act 2012, Non-Domestic Rating (Levy and Safety Net) Regulations 2013.

Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

14.4 Other Implications

No	Equalities/ Diversity	Yes	Sustainability	No	Human Rights
No	E-Government	Yes	Stakeholders	No	Crime and Disorder
No	Carbon Management				

Background Papers:

DCLG Council Tax Base 1 Form

DCLG National Non Domestic Rate 1 Form

CALCULATION OF 2017/18 COUNCIL TAX BASE

2016/17		Property Category	2017/18		Notes
Number of Properties	%		Number of Properties	%	
70,414.00	65.4%	Not entitled to Discounts	71,832.00	65.9%	
35,243.00	32.7%	Entitled to 25% Discount	35,096.00	32.2%	
937.00	0.9%	Entitled to 50% Discount	961.00	0.9%	
<u>106,594.00</u>	<u>99.0%</u>		<u>107,889.00</u>	<u>99.0%</u>	
1,079.00	1.0%	Exemptions/demolished	1,092.00	1.0%	
<u>107,673.00</u>	<u>100.0%</u>	Total Properties	<u>108,981.00</u>	<u>100.0%</u>	1
No of Properties as Band D Equivalents			No of Properties as Band D Equivalents		
90,659.92		Total above as Band D Equivalents	91,691.47		2
860.00		Provision for Valuation Change	960.00		3
0.00		Review of discounts & implementation of empty homes premium	156.86		
(1,052.46)		Provision for Non Collection	(1,111.82)		4
<u>90,467.46</u>		Total Band D equivalent properties	<u>91,696.51</u>		
(10,106.77)		Impact of Council Tax Reductions	(9,817.64)		
<u>80,360.69</u>			<u>81,878.87</u>		

Notes:

- Numbers of properties are as at 14 September 2015 and 12 September 2016 respectively.
- Tax Base advised to DCLG per CTB1 return. [Band D equivalents of properties at 14 September 2015 and 12 September 2016, adjusted for discounts as at 5 October 2015 and 3 October 2016 respectively].
- The provision for valuation change is for the period from October 2016 to 31 March 2018.
- The provision for non collection is assumed at 1.6% for 2017/18

MILTON KEYNES COUNCIL TAX BASE - 2017/18 - LOCAL TAX BASES (INCLUDING DISCOUNTS AND EXEMPTIONS) - PARISH AND TOWN COUNCILS

LOCAL AREAS	BAND A DISABLED	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL BAND D EQUIVALENTS	OTHER TAX BASE CHANGES	PROVN FOR NON-COLLN	NET TAX BASE BEFORE LCTRS SCHEME	IMPACT OF COUNCIL TAX REDUCTIONS	NET TAX BASE WITH LCTRS SCHEME
INCLUDING SECOND HOMES ADJUSTMENT															
ABBEY HILL	0.00	228.33	259.19	294.67	174.25	438.78	145.53	32.50	0.00	1,573.25	1.91	(18.88)	1,556.28	(104.82)	1,451.46
ASTWOOD & HARDMEAD	0.00	1.33	10.50	19.56	9.50	15.28	30.69	42.92	0.00	129.78	0.54	(1.56)	128.76	(3.87)	124.89
BLETCHLEY & FENNY STRATFORD	2.78	1,711.00	1,328.25	1,566.89	573.50	297.00	57.06	21.25	1.00	5,598.73	150.42	(68.40)	5,640.75	(1,075.21)	4,565.54
BOW BRICKHILL	0.00	1.83	6.61	45.56	35.50	73.33	67.17	25.00	4.00	259.00	6.88	(3.19)	262.69	(12.62)	250.07
BRADWELL	0.00	236.33	1,156.36	709.56	512.25	327.56	133.61	35.00	0.00	3,110.67	6.77	(37.33)	3,080.11	(433.70)	2,646.41
BROUGHTON & MILTON KEYNES VILLAGE	0.00	204.67	861.19	774.89	669.50	1,106.72	866.67	255.00	2.00	4,740.64	236.58	(59.66)	4,917.56	(279.23)	4,638.33
CALVERTON	0.00	0.00	2.53	4.89	13.25	14.67	18.42	31.67	6.00	91.43	0.59	(1.10)	90.92	(0.73)	90.19
CAMPBELL PARK	0.42	516.17	1,574.81	1,209.78	525.25	387.75	190.67	185.83	9.50	4,600.18	19.68	(55.32)	4,564.54	(719.76)	3,844.78
CASTLETHORPE	0.00	3.50	38.11	125.11	56.00	109.08	94.25	42.08	6.00	474.13	3.38	(5.72)	471.79	(28.66)	443.13
CENTRAL MILTON KEYNES	0.00	287.33	459.67	788.22	90.25	87.69	57.06	0.00	2.00	1,752.22	49.77	(21.58)	1,780.41	(148.77)	1,631.64
CHICHELEY	0.00	1.33	6.42	10.89	6.75	4.58	6.50	6.67	2.00	45.14	0.05	(0.54)	44.65	(7.76)	39.35
CLIFTON REYNES & NEWTON BLOSSOMVILLE	0.00	1.17	1.56	20.22	9.50	29.64	63.19	77.50	5.50	208.28	0.62	(2.50)	206.40	(7.76)	198.64
COLD BRAYFIELD	0.00	0.00	1.75	12.22	12.00	3.67	2.89	11.25	0.00	44.78	0.48	(0.54)	44.72	(3.61)	41.11
EMBERTON	0.00	5.00	27.61	34.89	46.50	33.61	48.39	92.08	10.00	298.58	1.13	(3.59)	296.12	(14.62)	281.50
FAIRFIELDS	0.00	10.00	15.56	30.44	24.00	15.58	35.75	1.67	0.00	133.00	91.91	(2.70)	222.21	(7.53)	214.68
GAYHURST	0.00	2.00	0.00	3.56	10.50	8.25	10.47	42.50	1.50	78.78	0.08	(0.95)	77.91	(0.32)	77.59
GREAT LINFORD	0.83	616.67	2,222.11	1,398.44	1,034.50	925.22	519.64	321.25	11.00	7,049.66	16.07	(84.67)	6,981.06	(853.99)	6,127.07
HANSLOPE	0.00	32.33	90.03	300.89	141.50	147.28	165.39	120.00	6.00	1,003.42	5.33	(12.09)	996.66	(52.71)	943.95
HAVERSHAM/LITTLE LINFORD	0.00	0.67	9.53	126.89	84.00	36.06	20.94	42.92	14.00	332.23	1.25	(4.03)	332.23	(13.64)	318.59
KENTS HILL, MONKSTON & BRINKLOW	0.00	87.33	565.14	727.11	477.50	567.11	257.11	56.25	12.00	2,739.55	7.70	(32.93)	2,714.32	(182.59)	2,531.73
LATHBURY	0.00	0.00	1.56	8.67	9.25	14.08	8.25	12.50	4.00	58.31	0.06	(0.70)	57.67	(0.24)	57.43
LAVENDON	0.00	5.17	35.19	147.56	113.00	123.44	68.61	66.25	8.00	567.22	4.06	(6.84)	564.44	(28.03)	536.41
LITTLE BRICKHILL	0.00	12.50	11.08	46.00	18.75	19.25	21.67	52.50	0.00	181.75	1.83	(2.20)	181.38	(11.78)	169.60
LOUGHTON & GREAT HOLM	0.00	82.33	310.14	660.22	252.75	352.31	351.00	394.17	9.00	2,411.92	8.76	(28.99)	2,391.69	(166.04)	2,225.65
MOLSOE	0.00	4.17	14.39	21.11	9.50	24.44	36.47	41.25	2.00	153.33	0.15	(1.84)	151.64	(12.63)	139.01
NEW BRADWELL	0.00	179.00	578.86	126.67	45.25	70.58	13.00	13.33	0.00	1,026.69	11.94	(12.41)	1,026.22	(152.37)	873.85
NEWPORT PAGNELL	0.00	227.17	1,262.53	1,697.11	1,188.25	806.06	214.50	71.25	5.00	5,471.87	26.83	(65.88)	5,432.82	(348.08)	5,084.74
NORTH CRAWLEY	0.00	3.67	25.08	42.44	59.25	101.44	48.39	69.17	6.00	355.44	0.36	(4.27)	351.53	(15.27)	336.26
OLD WOUGHTON	0.00	10.50	29.94	28.89	53.75	54.39	162.14	111.25	4.00	454.86	1.18	(5.46)	450.58	(20.88)	429.70
OLNEY	0.00	58.17	205.33	748.22	526.00	602.86	358.22	189.17	6.00	2,693.97	16.16	(32.45)	2,677.68	(162.29)	2,515.39
RAVENSTONE	0.00	0.00	0.78	12.22	8.50	18.64	32.50	45.42	9.50	127.56	0.13	(1.53)	126.16	(6.07)	120.09
SHENLEY BROOK END	0.00	405.33	1,616.81	2,162.22	1,454.75	2,192.67	1,026.64	502.08	9.00	9,369.50	41.98	(112.79)	9,298.69	(741.51)	8,557.18
SHENLEY CHURCH END	0.56	234.33	906.89	1,233.11	747.00	657.86	629.06	534.58	24.00	4,967.39	50.18	(60.11)	4,957.46	(386.85)	4,570.61
SHERINGTON	0.00	2.17	35.39	40.22	69.50	119.47	58.50	98.33	17.00	440.58	6.28	(5.35)	441.51	(22.47)	419.04
SIMPSON	0.00	60.67	109.08	48.22	118.25	110.61	80.89	22.92	1.00	551.64	13.02	(6.77)	557.89	(51.23)	506.66
STANTONBURY	0.56	574.17	990.11	791.56	522.00	484.61	151.67	133.33	0.00	3,528.01	7.69	(42.38)	3,493.32	(429.05)	3,064.27
STOKE GOLDINGTON	0.00	7.83	21.19	23.33	37.00	66.61	59.22	63.75	0.00	278.93	2.13	(3.36)	277.70	(18.16)	259.54
STONY STRATFORD	0.00	352.33	413.00	1,059.56	444.50	313.81	141.19	91.67	2.00	2,818.06	19.25	(33.99)	2,803.32	(304.69)	2,498.63
TYRINGHAM & FILGRAVE	0.00	1.17	2.72	14.00	16.75	15.58	14.81	39.58	9.50	114.11	1.11	(1.37)	113.85	(3.84)	110.01
WALTON	0.00	273.50	865.67	1,103.33	508.00	708.58	766.28	380.83	2.00	4,608.19	19.16	(55.43)	4,571.92	(347.48)	4,224.44
WARRINGTON	0.00	0.00	0.00	0.89	5.00	2.44	1.44	6.25	2.00	18.02	0.02	(0.22)	17.82	(0.07)	17.75
WAVENDON	0.00	6.67	47.25	54.67	55.00	61.72	91.36	46.67	10.00	373.34	45.28	(5.01)	413.61	(20.74)	392.87
WEST BLETCHLEY	0.00	616.67	1,729.50	3,060.44	1,129.25	792.00	316.69	98.75	4.00	7,743.30	31.11	(93.13)	7,681.28	(917.15)	6,764.13
WESTON UNDERWOOD	0.00	1.33	1.17	16.44	16.50	20.78	20.58	38.75	14.00	129.55	0.13	(1.55)	128.13	(2.16)	125.97
WHITEHOUSE	0.00	0.00	0.00	8.44	8.50	7.33	16.97	1.67	0.00	42.91	143.10	(2.21)	183.80	(1.27)	182.53
WOBURN SANDS	0.42	40.33	181.22	271.56	375.75	300.36	164.31	48.75	0.00	1,382.70	33.31	(16.96)	1,399.05	(73.63)	1,325.42
WOLVERTON	0.00	553.67	2,193.33	885.78	420.25	148.19	29.97	13.33	0.00	4,244.52	21.61	(51.11)	4,215.02	(625.46)	3,589.56
WOUGHTON	2.78	1,597.83	1,360.72	300.00	60.25	23.22	1.44	3.33	2.00	3,351.57	8.90	(40.23)	3,320.24	(998.76)	2,321.48
TOTAL BY BILLING AREA	8.35	9,239.17	21,571.86	22,817.56	12,778.50	12,836.36	7,683.00	4,514.17	242.50	91,691.47	1,116.86	(1,111.82)	91,696.51	(9,817.64)	81,878.87

MILTON KEYNES COUNCIL TAX BASE - LOCAL TAX BASES BEFORE DISCOUNTS AND EXEMPTIONS

LOCAL AREAS	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL PROPERTIES
ABBEY HILL	415	371	355	177	390	104	20	0	1,832
ASTWOOD & HARMEAD	3	14	23	10	13	22	26	0	111
BLETCHLEY & FENNY STRATFORD	2,934	1,939	1,925	610	258	41	13	1	7,721
BOW BRICKHILL	6	12	57	38	63	48	15	2	241
BROUGHTON & MILTON KEYNES VILLAGE	368	1,262	954	709	933	632	158	1	5,017
BRADWELL	442	1,664	859	546	283	97	23	1	3,915
CALVERTON	0	4	6	14	15	13	19	3	74
CAMPBELL PARK	942	2,224	1,463	565	332	136	115	6	5,783
CASTLETHORPE	7	57	154	61	93	70	26	3	471
CENTRAL MILTON KEYNES	505	666	969	96	78	45	0	1	2,360
CHICHELEY	2	9	14	7	4	5	4	1	46
CLIFTON REYNES & NEWTON BLOSSOMVILLE	3	2	25	11	25	47	49	3	165
COLD BRAYFIELD	3	3	15	13	3	2	7	0	46
EMBERTON	9	41	42	52	29	35	58	5	271
FAIRFIELDS	20	23	36	25	13	25	1	0	143
GAYHURST	4	0	4	11	7	8	26	1	61
GREAT LINFORD	1,146	3,155	1,742	1,100	790	378	202	9	8,522
HANSLOPE	62	128	373	148	126	120	75	3	1,035
HAVERSHAM/LITTLE LINFORD	1	13	151	89	32	15	28	7	336
KENTS HILL, MONKSTON & BRINKLOW	172	829	891	510	484	185	35	7	3,113
LATHBURY	0	2	11	11	7	10	7	3	51
LAVENDON	9	50	186	122	104	51	41	4	567
LITTLE BRICKHILL	23	17	55	20	16	16	34	0	181
LOUGHTON	165	455	809	266	303	252	245	5	2,500
MOULSOE	7	21	25	10	21	26	25	1	136
NEW BRADWELL	328	830	154	47	62	9	8	0	1,438
NORTH CRAWLEY	7	37	52	66	91	34	44	3	334
NEWPORT PAGNELL	428	1,848	2,066	1,261	681	154	45	5	6,488
OLD WUGHTON	21	42	37	55	46	122	69	2	394
OLNEY	113	317	942	571	519	259	117	5	2,843
RAVENSTONE	0	1	15	9	16	24	27	6	98
SHENLEY BROOK END	763	2,381	2,665	1,532	1,850	733	308	6	10,238
SHENLEY CHURCH END	440	1,335	1,531	793	558	446	330	14	5,447
SHERINGTON	6	54	50	76	102	43	60	9	400
SIMPSON	110	169	59	129	97	59	14	1	638
STANTONBURY	1,003	1,403	976	555	413	111	8	0	4,469
STOKE GOLDINGTON	15	36	30	40	59	43	39	0	262
STONY STRATFORD	616	608	1,323	480	274	101	58	2	3,462
TYRINGHAM & FILGRAVE	2	4	17	18	13	11	24	6	95
WALTON	507	1,293	1,390	541	603	546	238	1	5,119
WARRINGTON	0	0	1	5	2	1	4	1	14
WAVENDON	13	69	67	59	55	68	29	5	365
WEST BLETCHLEY	1,112	2,475	3,728	1,205	686	231	62	5	9,504
WESTON UNDERWOOD	2	2	20	18	18	16	24	7	107
WHITEHOUSE	0	0	10	9	6	12	1	0	38
WOBURN SANDS	77	265	335	405	264	117	29	2	1,494
WOLVERTON	1,001	3,125	1,090	448	126	22	8	0	5,820
WUGHTON	2,790	1,961	374	64	21	1	2	3	5,216
Total by Billing area	16,602	31,216	28,076	13,607	10,984	5,546	2,800	150	108,981

2017/18 Parish and Town Council Tax Base and Provisional Funding Allocations

Parish	Total Tax Base pre LCTRS Total Band D equivalents	Tax Base including LCTRS Band D equivalents	Loss of Tax Base (net of technical reforms) Band D equivalents	Estimated Precept pre LCTRS (with 2016/17 band D) £	Estimated precept post LCTRS (2016/17 band D) £	Loss of precept income £	2017/18 Grant Allocation 530,000.00 £	Loss of income after grant £	Percentage Loss %
ABBEY HILL	1,556.28	1,451.46	104.82	15,267.11	14,238.82	1,028.28	252.98	775.30	5.08%
ASTWOOD and HARDMEAD	128.76	124.89	3.87	4,731.93	4,589.71	142.22	0.00	142.22	3.01%
BLETCHLEY & FENNY STRATFORD	5,640.75	4,565.54	1,075.21	712,934.39	577,038.60	135,895.79	99,691.16	36,204.63	5.08%
BOW BRICKHILL	262.69	250.07	12.62	15,637.94	14,886.67	751.27	0.00	751.27	4.80%
BRADWELL	3,080.11	2,646.41	433.70	159,056.88	136,660.67	22,396.21	14,318.90	8,077.31	5.08%
BROUGHTON and MILTON KEYNES	4,917.56	4,638.33	279.23	103,170.41	97,312.16	5,858.25	618.99	5,239.26	5.08%
CALVERTON	90.92	90.19	0.73	0.00	0.00	0.00	0.00	0.00	0.00%
CAMPBELL PARK	4,564.54	3,844.78	719.76	603,660.42	508,472.16	95,188.26	64,532.84	30,655.42	5.08%
CASTLETHORPE	471.79	443.13	28.66	28,897.14	27,141.71	1,755.43	287.95	1,467.48	5.08%
CENTRAL MILTON KEYNES	1,780.41	1,631.64	148.77	67,726.80	62,067.59	5,659.21	2,219.87	3,439.34	5.08%
CHICHELEY	44.65	39.35	5.30	570.18	502.50	67.68	38.73	28.95	5.08%
CLIFTON REYNES and NEWTON									
BLOSSOMVILLE	206.40	198.64	7.76	7,486.13	7,204.67	281.46	0.00	281.46	3.76%
COLD BRAYFIELD	44.72	41.11	3.61	862.65	793.01	69.64	25.83	43.81	5.08%
EMBERTON	296.12	281.50	14.62	17,331.90	16,476.20	855.71	0.00	855.71	4.94%
FAIRFIELDS	222.21	214.68	7.53	0.00	0.00	0.00	0.00	0.00	0.00%
GAYHURST	77.91	77.59	0.32	1,897.89	1,890.09	7.80	0.00	7.80	0.41%
GREAT LINFORD	6,981.06	6,127.07	853.99	397,152.50	348,569.01	48,583.49	28,415.07	20,168.42	5.08%
HANSLOPE	996.66	943.95	52.71	64,503.84	61,092.44	3,411.39	135.72	3,275.67	5.08%
HAVERSHAM cum LITTLE LINFORD	332.23	318.59	13.64	16,033.42	15,375.15	658.27	0.00	658.27	4.11%
KENTS HILL, MONKSTON & BRINKLOW	2,714.32	2,531.73	182.59	118,914.36	110,915.09	7,999.27	1,960.49	6,038.78	5.08%
LATHBURY	57.67	57.43	0.24	1,514.41	1,508.11	6.30	0.00	6.30	0.42%
LAVENDON	564.44	536.41	28.03	27,917.20	26,530.84	1,386.36	0.00	1,386.36	4.97%
LITTLE BRICKHILL	181.38	169.60	11.78	10,338.66	9,667.20	671.46	146.44	525.02	5.08%
LOUGHTON & GREAT HOLM	2,391.69	2,225.65	166.04	76,725.42	71,398.85	5,326.56	1,430.25	3,896.31	5.08%
MOULSOE	151.64	139.01	12.63	2,950.91	2,705.13	245.78	95.92	149.86	5.08%
NEW BRADWELL	1,026.22	873.85	152.37	65,411.26	55,699.20	9,712.06	6,390.31	3,321.75	5.08%
NEWPORT PAGNELL	5,432.82	5,084.74	348.08	385,458.58	360,762.30	24,696.28	5,121.70	19,574.58	5.08%
NORTH CRAWLEY	351.53	336.26	15.27	13,340.56	12,761.07	579.50	0.00	579.50	4.34%
OLD WUGHTON	450.58	429.70	20.88	9,565.81	9,122.53	443.28	0.00	443.28	4.63%
OLNEY	2,677.68	2,515.39	162.29	189,552.97	178,064.46	11,488.51	1,862.52	9,625.99	5.08%
RAVENSTONE	126.16	120.09	6.07	8,108.30	7,718.18	390.12	0.00	390.12	4.81%
SHENLEY BROOK END	9,298.69	8,557.17	741.52	517,100.15	475,864.22	41,235.93	14,976.26	26,259.67	5.08%
SHENLEY CHURCH END	4,957.46	4,570.61	386.85	272,660.30	251,383.55	21,276.75	7,430.36	13,846.39	5.08%
SHERINGTON	441.51	419.04	22.47	35,033.82	33,250.82	1,782.99	0.00	1,782.99	5.09%
SIMPSON	557.89	506.66	51.23	27,833.13	25,277.27	2,555.86	1,142.43	1,413.43	5.08%
STANTONBURY	3,493.32	3,064.27	429.05	218,332.50	191,516.88	26,815.63	15,728.14	11,087.49	5.08%
STOKE GOLDINGTON	277.70	259.54	18.16	12,329.88	11,523.58	806.30	180.16	626.14	5.08%
STONY STRATFORD	2,803.32	2,498.63	304.69	188,467.20	167,982.89	20,484.31	10,913.46	9,570.85	5.08%
TYRINGHAM & FILGRAVE	113.85	110.01	3.84	999.60	965.89	33.72	0.00	33.72	3.37%
WALTON	4,571.92	4,224.44	347.48	314,090.90	290,219.03	23,871.88	7,921.54	15,950.34	5.08%
WARRINGTON	17.82	17.75	0.07	0.00	0.00	0.00	0.00	0.00	0.00%
WAVENDON	413.61	392.87	20.74	16,817.38	15,974.09	843.29	0.00	843.29	5.01%
WEST BLETCHLEY	7,681.28	6,764.13	917.15	940,419.11	828,132.98	112,286.13	64,529.23	47,756.90	5.08%
WESTON UNDERWOOD	128.13	125.97	2.16	10,022.33	9,853.37	168.96	0.00	168.96	1.69%
WHITEHOUSE	183.80	182.53	1.27	0.00	0.00	0.00	0.00	0.00	0.00%
WOBURN SANDS	1,399.05	1,325.42	73.63	115,645.47	109,559.22	6,086.26	213.49	5,872.77	5.08%
WOLVERTON	4,215.02	3,589.56	625.46	430,859.34	366,924.82	63,934.52	42,054.38	21,880.14	5.08%
WUGHTON	3,320.24	2,321.48	998.76	549,400.11	384,135.30	165,264.82	137,364.87	27,899.95	5.08%
TOTAL	91,696.51	81,878.87	9,817.64	6,776,731	5,903,728	873,003.18	530,000.00	343,003.18	

Wards Affected:

All Wards.

ITEM 4(c)**MILTON KEYNES COUNCIL****11 JANUARY 2017**

Report considered by Cabinet member – 20 December 2016

LGSS – INVEST TO SAVE

Responsible Cabinet Member: Councillor Middleton, Cabinet Member for Resources and Innovation.

Report Sponsor: Nicole Jones; Corporate Director, Resources

Author and contact: Robin Bates; Head of Revenues and Benefits, Tel: 01604 837119

Executive Summary:

In April 2016 Milton Keynes Council joined the LGSS Shared Service. As part of the decision to join the shared service an outline Business Case was developed which set out the direction of travel for services.

This outline Business Case set a direction of creating an integrated Revenues and Benefits service, supported by refreshed technology, to both reduce costs and enable the service to expand in the future. Since the partnership was formed in April, discussions have been taking place with Northampton Borough Council (NBC) about amending the governance arrangements to enable long-term Revenues and Benefits shared service, with an NBC influence.

This report seeks confirmation of the Business Case for the Revenues and Benefits shared service partnership, and requests Cabinet to recommend to Council a change to the governance arrangements for services currently delegated to LGSS, to create a separate Revenues and Benefits Joint Committee, including NBC, which could be extended in future with additional partners.

1. Recommendation(s)

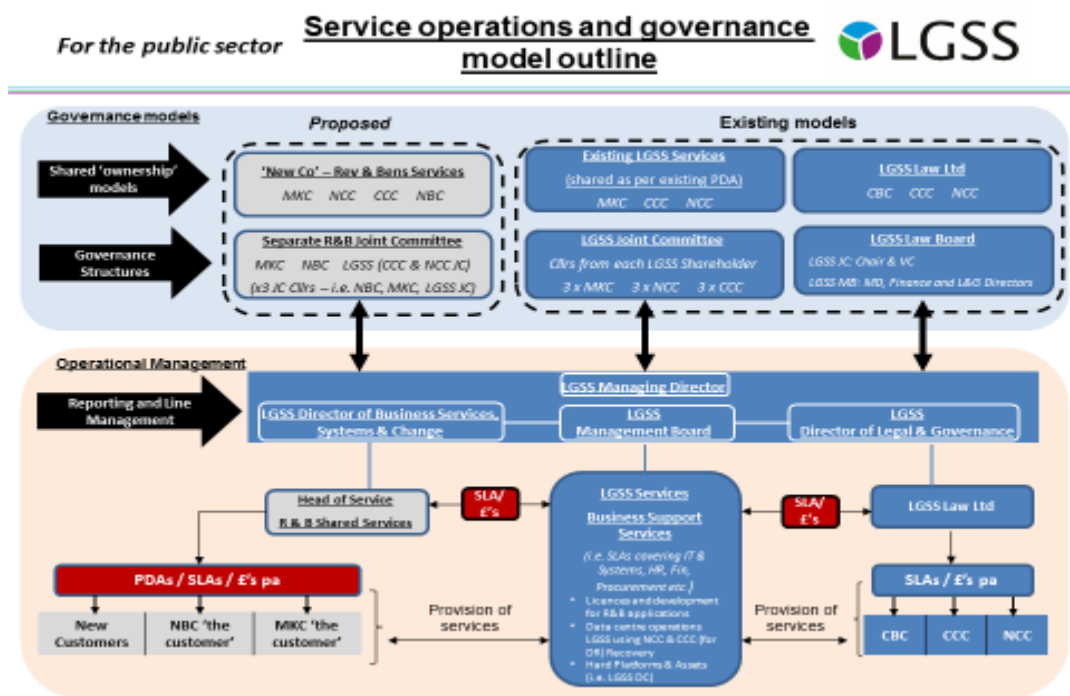
- 1.1 The public and press may be excluded from the meeting by virtue of Paragraph 3 (Information Relating to the Financial or Business Affairs of the Authority) of Part 1 of Schedule 12A of the Local Government Act 1972, in order that the Committee may consider the Annex to the report.
- 1.2 That, subject to local approval by Northampton Borough Council (NBC) / LGSS partners, the Council be recommended to agree to the creation of a new Joint Committee for Revenues and Benefits.
- 1.3 That upon establishment of the Joint Committee, the Council appoints a member to represent Milton Keynes Council on the Revenues and Benefits Joint Committee.

2. Issues

- 2.1 In April 2016 Milton Keynes Council joined LGSS based on an Outline Business Case which set out the direction of travel for services. This business case set out the development of Revenues and Benefits into a

shared service, supported by refreshed and extended technology solutions. The intention was that the costs would be reduced through the improved technology and through the size and increased resilience of the shared service, but also significantly that the shared service platform would continue to grow providing future benefits.

- 2.2 Since joining LGSS discussions have been taking place with NBC, to consider a change to the governance arrangements and business case to allow NBC to be a partner in a new Revenues and Benefits shared service. In return NBC would be giving a long-term commitment to the partnership, investing in the technology and supporting the growth of the partnership. The operation of the service and the investment in technology is consistent with the MKC Outline Business Case. .
- 2.3 Northampton Borough Council (NBC) as an existing customer of LGSS, delegated its Revenues & Benefits Services to LGSS in June 2013. Alongside the MKC and LGSS shared service, NBC have been engaged to identify the benefits associated with a continued relationship with LGSS, with their current arrangement ending in April 2018.
- 2.4 These discussions have led to an agreement in principle to the setup of an alternative business model for the delivery of Revenues and Benefits Services and in particular a separately managed joint committee dedicated to Revenues and Benefits.
- 2.5 The business case includes key aspects on how this arrangement would function including service and Design Principles, Governance and financial savings.
- 2.6 The agreed Governance for the partnership is provided in the diagram below:



2.7 The high level governance of the LGSS Revenues and Benefits Joint Committee Structure would be as follows:

- (a) The Committee has 3 councillors (1NBC; 1MKC; 1LGSS).
- (b) The Chair of the LGSS Joint Committee would be the LGSS representative, with the Vice-Chair being the substitute (in the event the JC chair is an MKC member)
- (c) To be quorate the meeting will need attendance from one councillor from each organisation, so substitutes will be required if councillors cannot attend.
- (d) Voting will be by simple majority.
- (e) There will be a minimum of three meetings per year.
- (f) The management support for the committee will be delivered by LGSS

The role of the LGSS Revenues and Benefits Joint Committee will be to:

- (a) Set the direction and vision for the shared service.
- (b) Agree the budget (within contributions from individual Council's).
- (c) Agree the Service Plan/ Business plan.
- (d) Review performance against plan and agree any changes in year.
- (e) Oversee the integration and change programme.
- (f) Consider new commercial proposals, whether for partner or customer relationships.
- (g) Review performance against plan and agree any changes in year.
- (h) Oversee the integration and change programme.

2.8 The agreed financial benefits and investments are provided at 4.3, 4.4 and 4.5 below.

2.9 The Governance and financial arrangements have already been considered by the current LGSS Joint Committee, which supported the proposal. The proposed approach would allow the partnership to expand to incorporate additional partners. .

2.10 All partners to these discussions have agreed to consider the Joint Committee proposal prior to the end of December 2016, with the relevant local approvals being made during this period.

2.11 In the event that the membership from April 2017, does not include a fourth member (NBC), the existing service will proceed with the plans for the formation of a shared service operating model, but under the current LGSS

Joint Committee until such time as a partner is secured and a the proposed new governance arrangement would be required.

2.12 The design principles for the creation of a future shared service will form the basis of plans to deliver:

- (a) An LGSS Managed Service Framework for the provision of shared service systems.
- (b) Projects aimed at delivering a shared service operating model.
- (c) This target operating model will aim to deliver state of the art digital services that support the service user and maximises efficiencies and income collection.

3. **Options**

3.1 The Council considered all available options for the delivery of the Revenues and Benefits Service prior to joining LGSS.

3.2 This paper seeks approval for moving to a separate Joint Committee to support the growth of the shared service.

4. **Implications**

4.1 Policy

This proposal is in line with the decisions for the Council to become a member of the LGSS Joint Committee taken at Cabinet on 11 January 2016 and Council on 23 March 2016.

4.2 Resources and Risk

The financial arrangements for this partnership are commercially sensitive and are therefore incorporated in the exempt **Annex**. However, the further work on the target operating model and the technology solutions results in a estimated financial benefit to Milton Keynes Council of £xm, compared to £ym in the original Outline Business Case.

The technology change requires an investment of £0.974m for Milton Keynes Council to deliver the financial benefits. The payback period for this investment is less than 3 years and benefits achieved will be ongoing revenue cost reductions. These cost reductions are reflected in the draft 2017/18 Budget and medium term financial position.

The table in the **Annex** provides the anticipated savings and costs of the proposed Joint committee start up partnership. These savings are subject to approval from all foundation partners including NBC / LGSS.

The total base budget cost reduction for MKC by 2021/22 will be £1.024m; in addition MKC will receive a share of the ongoing savings from growth that LGSS receive for annual payments to LGSS for providing services. Growth estimates are provided in the **Annex**.

The table in the **Annex** provides the required investment from partners into the improved technology solutions and the redesign of the shared service, which will be delegated to the new Joint Committee:

Milton Keynes will need to invest £0.974m in the technology and change required to create a shared service and reduce the costs of transactions.

The table below shows the payback period for MKC of the business case provided above:

	2017/18	2018/19	2019/20	2020/21	2021/22
Payback period (excluding growth)	£000s	£000s	£000s	£000s	£000s
Cumulative Savings	-184	-332	-682	-837	-1,024
Capital Costs	436	358	60	20	20
In year Cost / Saving	252	278	-344	-1,161	-2,165

This shows that the payback period for the investment is less than three years, with the benefits being ongoing budget reductions.

Y	Capital	Y	Revenue	N	Accommodation
Y	IT	Y	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

None

4.4 Legal

Milton Keynes Council (“the Council”) became a member of the Joint Committee of LGSS on 1 April 2016.

As part of the Delegation and Joint Committee Agreement the Council delegated the function of the management of its Revenues and Benefits Services to the LGSS Director responsible for Revenues and Benefits, this report is requesting additional delegation for the purposes as set out in the above recommendations. The **Annex** provides a diagram and background to the alternative of a separate Joint Committee.

N	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	N	Stakeholders	N	Crime and Disorder

Background Papers: Shared Services Partnership (LGSS – Milton Keynes)
11 January 2016

Annex: Detailed Financial Model Revenues and Benefits Joint Committee (Not for Publication and not attached)

Wards Affected:

Danesborough and Walton

ITEM 4(d)(i)**MILTON KEYNES COUNCIL****11 JANUARY 2017**

Report considered by Cabinet – 3 January 2017

WALTON NEIGHBOURHOOD PLAN

Responsible Cabinet Member: Councillor Gifford - Cabinet Member for Place

Report Sponsor: Anna Rose, Service Director: Planning, Culture and Infrastructure

Author and contact: Diane Webber, Senior Planning Officer, 01908 252668

Executive Summary:

The report seeks Cabinet's agreement to recommend to Council that it makes (brings into legal force) the Walton Neighbourhood Plan following the referendum held on 17 November 2016. The referendum returned a majority 'Yes' to the question asked – whether those voting wanted Milton Keynes Council to use the neighbourhood plan when deciding planning applications in the neighbourhood area. Given the 'Yes' vote, the Council is now obliged to make the Plan.

1. Recommendation(s)

- 1.1 That the Cabinet recommends to Council that it makes the Walton Neighbourhood Plan pursuant to the provisions of Section 38(A)(4) of the Planning and Compulsory Purchase Act 2004.
- 1.2 That, subject to the Council's agreement to the making of the Neighbourhood Plan:
 - (a) the decision document (at **Annex A** to the report) and the Walton Neighbourhood Plan (at **Annex B** – web-link) be published on the Council's website and in other manners, to bring them to the attention of people who live, work or carry out business in the neighbourhood area; and
 - (b) the decision document and details on how to view the plan be sent to the qualifying body (Walton Parish Council) and any person who asked to be notified of the decision.
- 1.3 That Walton Community Council be congratulated on the successful outcome of the referendum.

2. Issues

- 2.1 The Walton Neighbourhood Plan was submitted to the Council for examination and was subsequently publicised for a six week period, ending on 3 August, 2016. All comments received were then passed to the Examiner, Mr Andrew Ashcroft, who submitted his report on the Plan in September 2016.

- 2.2 On 28 September, 2016, the Service Director for Planning, Culture and Infrastructure made the decision to accept the Examiner's report and the modifications that the examiner had recommended be made to the Neighbourhood Plan in order to ensure its compliance with the basic conditions. It was also agreed that the Plan, as modified, should proceed to a referendum of those residents eligible to vote within the parish of Walton..
- 2.3 The referendum took place on 17 November 2016. The official result is that, 1138 residents voted Yes (88% of those voting) and 145 voted No (11% of those voting), with 3 ballot papers rejected. The turnout for the referendum was 14.63%.
- 2.4 Once a neighbourhood plan has successfully passed all the stages of preparation, including an Examination and Referendum, it is made by the local planning authority and forms part of that authority's Development Plan, meaning that it will be a material consideration when deciding development proposals within the area covered by the Plan.
- 2.5 As with any planning decision there is a risk of legal challenge but that risk has and is being managed by ensuring that the regulations are followed and that the Council's decision making process is clear and transparent.

3. **Options**

- 3.1 Once a neighbourhood plan has been supported by a majority of those voting in a referendum the Council is obliged to proceed to make the Plan under section 38(A)(4) of the Planning and Compulsory Purchase Act, 2004. The Council is not subject to this duty if the making of the plan would breach, or otherwise be incompatible with, any EU obligation or any of the convention Rights. The Neighbourhood Plan does not breach nor would it be incompatible with the conventions or obligations.
- 3.2 There are, therefore, no other options than to make the Walton Neighbourhood Plan so that it becomes part of the Milton Keynes Development Plan and specifically part of the Development Plan for Walton Parish area.

4. **Implications**

4.1 Policy

The National Planning Policy Framework sets out that Neighbourhood Plans must be in general conformity with the strategic policies of the development plan. Neighbourhood Plans should reflect these policies, and neighbourhoods should plan positively to support them. Neighbourhood Plans and Development Orders should not promote less development than is set out in the Local Plan, or undermine its strategic policies. In Milton Keynes, the strategic policies are set out in the adopted Milton Keynes Local Plan and Core Strategy.

Once a Neighbourhood Plan has successfully passed all of the stages of preparation, including an examination and referendum, it is made by the local planning authority and forms part of the authority's Development Plan, meaning it will be a material consideration when considering development

proposals in the Neighbourhood Plan area. In terms of the planning policy hierarchy, a Neighbourhood Plan, once adopted, carries more weight than a Supplementary Planning Document.

The Neighbourhood Planning (General) and Development Management Procedure (Amendment) Regulations 2016 which came into force on 1 October, 2016 require local planning authorities to make a plan that has been supported at referendum within eight weeks of the day after the referendum. A decision to make the Plan by Full Council on 11 January 2017 will meet that timescale.

4.2 Resources and Risk

The Localism Act 2011 and the Neighbourhood Planning (General) Regulations 2012 (“the 2012 Regulations”) placed new duties on local planning authorities in relation to Neighbourhood Planning. These new duties have considerable implications for Council resources. In recognition of the additional burdens that these new duties place on local planning authorities, DCLG now makes extra burden funding of £20,000 available to local authorities, which can be claimed once a date for a referendum has been set following a successful examination. This is a reduction of £10,000 per plan from that which has been available in previous years. Further duties and deadlines for decisions have been imposed through the Neighbourhood Planning (General) and Development Management Procedure (Amendment) Regulations 2016, as a result of the 2016 Housing and Planning Act and more are anticipated to follow from the Neighbourhood Planning Bill.

Publicity and officer support costs associated with making Neighbourhood Plans is met within the Development Plans budget and staff resources to implement the Plan come from the existing staff within the Development Plans and Development Management teams.

An internal audit of the Neighbourhood Plans service carried out in 2015 has shown that that the additional costs incurred delivering the service were only just covered by the extra burdens funding.

N	Capital	Y	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

The proposal does not impact on carbon and energy management.

4.4 Legal

Neighbourhood planning is part of the Government’s initiative to empower local communities to take forward planning proposals at a local level, as outlined in Section 116 of the Localism Act, 2011. The Act and the subsequent regulations confer specific functions on local planning authorities in relation to neighbourhood planning and lays down the steps that must be followed in relation to Neighbourhood Planning.

The Walton Neighbourhood Plan has been consulted on and subjected to a referendum in accordance with the 2012 Regulations.

As with any planning decision, there is a risk of legal challenge to the plan and/or judicial review of the Council’s decision to proceed with the referendum and the making of the Plan.

Risk has been managed by ensuring that the 2012 Regulations are followed and that the Council’s decision making process is clear and transparent. Once a Neighbourhood Plan is made it carries real weight and the LPA is obliged to consider proposals for development against the policies in the Plan.

In accordance with Section 61E(4) of the Town and Country Planning Act, as modified by the Localism Act 2011, the Council must, as soon as possible after deciding to make a neighbourhood development plan;

- (a) publish on the website and in such other manner as is likely to bring the Plan to the attention of people who live, work or carry on business in the neighbourhood area:
 - (i) the decision document,
 - (ii) details of where and when the decision document may be inspected;
- (b) send a copy of the decision document to:
 - (i) the qualifying body; and
 - (ii) any person who asked to be notified of the decision.

4.5 Other Implications

The Walton Neighbourhood Plan has been tested against and found to meet a number of basic conditions. Two of the basic conditions are the requirements for the plans to:

- (a) contribute to the achievement of sustainable development; and
- (b) not breach and otherwise be compatible with EU obligations (including Human Rights, the Strategic Environmental Assessment Directive and the Habitats Directive).

The Examiner’s report has confirmed that the Plan meets those Basic Conditions and officers are satisfied that there are no conflicts with these aspects.

The consultations on the draft plan carried out by the Community Council and then the publicity on the submitted plan carried out by Milton Keynes Council have helped to raise awareness of its preparation and have allowed community engagement and participation in the process. .

N	Equalities/Diversity	Y	Sustainability	Y	Human Rights
N	E-Government	n	Stakeholders	N	Crime and Disorder

Annex A Decision document for the Walton Neighbourhood Plan

Annex B Walton Neighbourhood Plan (<https://www.milton-keynes.gov.uk/planning-and-building/walton-community-council-neighbourhood-plan>)

Background Papers:

The Localism Act, 2011

The Neighbourhood Planning (General) Regulations 2012

The Housing and Planning Act, 2016

The Neighbourhood Planning (General) and Development Management Procedure (Amendment) Regulations 2016

**MILTON KEYNES COUNCIL
WALTON NEIGHBOURHOOD PLAN**

DECISION STATEMENT - 21 NOVEMBER 2016

1 Summary

- 1.1 Following a referendum of all residents eligible to vote within Walton Parish area, Milton Keynes Council now makes the Walton Neighbourhood Plan part of the Milton Keynes Council Development Plan.

2 Background

- 2.1 Walton Community Council, as the qualifying body successfully applied for its area to be designated a Neighbourhood Area, under the Neighbourhood Planning (General) Regulations (2012), which came into force 6 April 2012.
- 2.2 Following the submission of a draft of the Walton Neighbourhood Plan to the Council, the plan was publicised and comments were invited from the public and stakeholders. The consultation period closed on 3 August, 2016.
- 2.3 Milton Keynes Council appointed an independent examiner, Mr Andrew Ashcroft, to review whether the Draft Plan should proceed to referendum. The Examiner's report concludes that the plan is in general conformity with the adopted Core Strategy and with regard to national policies and guidance, and, that, subject to amendments the plan could proceed to a Neighbourhood Planning referendum.
- 2.4 A parish wide residential Neighbourhood Planning Referendum was held on 17 November 2016. The turnout in the referendum was 14.63% and 88% of the votes cast were in favour.

3 Decision

- 3.1 The Council makes the Walton Neighbourhood Plan part of the Milton Keynes Council Development Plan.
- 3.2 The Council agrees to the decision notice and the Walton Neighbourhood Plan being published on the Milton Keynes Council website and in other ways to bring them to the attention of people who live, work or carry out business in the neighbourhood area. The decision notice and details on how to view the plan will be sent to the qualifying body and any person who asked to be notified of the decision.

Wards Affected:

All Wards

ITEM 4(d)(ii)

MILTON KEYNES COUNCIL

11 JANUARY 2017

Report considered by Cabinet – 3 January 2017

MILTON KEYNES MINERALS LOCAL PLAN PROPOSED MODIFICATIONS

Responsible Cabinet Member: Councillor Gifford, Cabinet Member for Place

Report Sponsor: Anna Rose, Service Director - Planning, Culture and Infrastructure

Author and contact: John Cheston, Development Plans Team Leader, Tel: (01908) 252480

Executive Summary:

Following the public examination hearing sessions into the Milton Keynes Minerals Local Plan in October 2016, a schedule of Proposed Modifications to the Plan has been drawn up at the request of the Planning Inspector. These Proposed Modifications (the Annex to this report) are required to be publicised and any representations on them considered by the Inspector. The Inspector's Report will then be able to be issued and, provided that she deems it to be 'sound' and legally compliant, the Minerals Local Plan could go to full Council for adoption.

1. Recommendation(s)

1.1 That the Council be recommended to approve for publication a schedule of Proposed Modifications to the Minerals Local Plan for a six week public consultation

2. Issues

2.1 The Milton Keynes Minerals Local Plan is currently being examined by an independent Planning Inspector. Public hearing sessions into the Plan were held on 18 and 19 October 2016.

2.2 As a consequence of the public hearing sessions, the Inspector has asked officers to make a small number of modifications to the Plan. These changes will enable the Inspector to find the Plan 'sound' and for her to then issue her report and for the Plan to proceed to full Council for its adoption. The schedule of Proposed Modifications is attached at the **Annex**.

2.3 These modifications focus on amendments to the policies and explanatory text for Policy 9 on Natural assets and resources and Policy 16 on Restoration and after-use and are required to bring these policies fully into line with the National Planning Policy Framework (NPPF).

2.4 In addition, amendments to the site profiles in Appendix 1 of the Plan are also proposed in relation to specific development requirements for sites A1 (Calverton/Passenham Extension), A3 (Northampton Road, Lathbury) and A4

(Manor Farm and Lavendon Mill). The changes would have the effect of removing the minimum separation distances required by the draft Plan between the proposed extraction works at Lathbury and nearby residential properties because the Inspector considers these to be too prescriptive.

- 2.5 These are relatively minor changes for a full local plan that has been discussed at a public examination hearing session and in no way do they affect the intent of the Plan, rather they are changes to make the Plan fully compliant with the NPPF. Nevertheless, these changes are considered by the Inspector to be necessary to enable it to be found 'sound'.
- 2.6 On this basis, it is recommended that these Proposed Modifications are agreed and that they are consulted on for the statutory minimum period of six weeks. Representations can only be made on the Proposed Modifications and not on any other element of the Minerals Local Plan. All representations made will be considered by the Inspector.
- 2.7 At the request of Councillor Peter Geary, the draft Proposed Modifications in relation to MM25 and MM26 (specific development requirements for Site A3 Northampton Road, Lathbury and Site A4 Manor Farm and Lavendon Mill) were shared with him and his Olney Ward colleagues, and with representatives of Lathbury Parish Meeting on an informal basis.

3. Options

- 3.1 The alternative option is not to agree these modifications (either one or more or in their entirety). However, to not agree to the modifications that the Inspector considers are necessary to make the Plan 'sound' will mean that she would have no alternative other than to find the Plan 'unsound' and it would have to be withdrawn. This would leave the Council without an up to date suite of policies against which to consider minerals-related planning applications.

4. Implications

4.1 Policy

The Minerals Local Plan will replace the adopted Minerals Local Plan (2006) and will form part of the Development Plan. Planning applications for minerals-related development must be determined in accordance with the Minerals Local Plan and any other relevant parts of the Development Plan unless material considerations indicate otherwise.

4.2 Resources and Risk

The Minerals Local Plan has been prepared through the resources identified in the existing budget for development planning. Due to the specialised nature of minerals policy, most of the work has been undertaken on the Council's behalf by Northamptonshire County Council.

N	Capital	N	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

The Minerals Local Plan has been based on the principles of sustainable development but, as it will be concerned only with planning for minerals-related development, it will not cover matters relating to carbon and energy management.

4.4 Legal

The Minerals Local Plan has been prepared in accordance with the Planning and Compulsory Purchase Act 2004 (as amended) and associated regulations and guidance.

4.5 Other Implications

Equalities/Diversity: The Minerals Local Plan will be subject to equalities impact assessment once its detailed policies have been agreed.

Sustainability: The Minerals Local Plan will promote sustainable development. In accordance with EU legislation, it has been subject to Sustainability Appraisal (incorporating the requirements of the Strategic Environmental Assessment Directive).

Human Rights: Policies in the Minerals Local Plan need to comply with human rights legislation.

E-Government: All consultation and associated documentation has been available to view and comment on through the Council's website.

Stakeholders: Consultation with a wide range of stakeholders has been undertaken throughout the process, in line with national regulations and guidance on development plans, and local guidance as set out in the Council's Statement of Community Involvement.

Crime and Disorder: No direct implications.

N	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	N	Stakeholders	N	Crime and Disorder

Background Papers: Minerals Local Plan – Submission Plan, March 2016
<https://www.milton-keynes.gov.uk/planning-and-building/planning-policy/minerals-policy>

Annex: Milton Keynes Minerals Local Plan - Schedule of Proposed Modifications

Milton Keynes Minerals Local Plan Proposed Modifications

November 2016

Ref	Part	Proposed Main Modification	Reason for Proposed Main Modification
MM1	Minerals Local Plan Strategic Objectives (second highlighted box after para 3.3: Objective 6	After Milton Keynes delete: 'key (national and international)'	<i>All main modifications are as a consequence of matters discussed at the public hearing sessions into the plan</i> To clarify that it is not just national and international designations that should be covered by this objective.
MM2	Figure 6	Add Biodiversity Opportunity Areas (BOAs) to map.	To aid clarity.
MM3	Para 5.1	End of para 5.1 "The following development management and control policies primarily address mineral extraction and processing, however they also apply to all other forms of minerals related development. The extent to which proposals for other forms of minerals related development address the developer requirements and criteria will be assessed as appropriate to the particular development under consideration.	To aid clarity.
MM4	Para 5.7	Insert new sentence after third sentence and amend start of following sentence to read: 'Opportunities for priority species conservation, from small-scale actions (specific to a single species) to habitat creation or enhancement, should be sought where appropriate and potentially adverse impacts on priority species avoided and/or mitigated to acceptable levels. Within Milton Keynes the BOAs	To include supporting text to reflect amendment to Policy 9 (see MM6).
MM5	Policy 9	Delete first sentence 'should' and replace with 'will be expected to'.	To give stronger expression to the policy.
MM6	Policy 9	Delete first criterion and replace with 'Protecting sites and species of ecological importance.'	To include protection of species in line with the NPPF.

Ref	Part	Proposed Main Modification	Reason for Proposed Main Modification <i>All main modifications are as a consequence of matters discussed at the public hearing sessions into the plan</i>
MM7	Policy 9	Second criterion after 'ecological networks' add 'and Biodiversity Opportunity Areas'	To reference Biodiversity Opportunity Areas in Policy 9 as well as in the explanatory text.
MM8	Para 5.21	After 'land-uses' add 'and their sensitivity'.	To aid clarity (linked to the deletion of paragraph 5.22 under MM9).
MM9	Para 5.22	Delete paragraph.	To aid clarity.
MM10	Policy 12	First para after 'light pollution,' add 'visual intrusion, etc.'.	To specifically mention the issue of visual intrusion as this is a particular concern of residents near proposed extraction sites.
MM11	Para 5.32	Delete last sentence of paragraph 5.32 and add 'In addition elements of visual interest can be included such as landscaping and landscape features, boundary treatments, public information/education displays and specific elements of heritage and built design that can enhance the visual interest and appearance of a development proposal.'	To aid clarity in relation to the term 'elements of visual interest'.
MM12	Policy 14	Delete 'need to' and replace with 'should'.	To aid clarity.
MM13	Policy 14	Move first criterion to end of criteria list and amend to read: 'Makes a positive contribution to the character of the area and local identity (particularly with regard to restoration outcomes)'.	To aid clarity.
MM14	Para 5.45	Change para to read 'Restoration schemes should identify the intended after-use(s) and incorporate clear stages of restoration including layout and design plans as necessary. The scheme must identify an end date by which restoration works are to be completed as well as a programme setting out high quality after-care (including provisions for ongoing management and maintenance) and monitoring requirements. Where necessary to achieve this requirement long-term (over the statutory 5 year period) after-care will be required. There may also be a requirement for site-specific assessments (such as landscape character, environmental capacity, ecological networks, flood risk, etc.) to accompany the restoration scheme. The restoration scheme must be submitted to the MPA and approved prior to commencement of development.'	To give more detail in relation to after-use, thus supporting the amendment to Policy 16 (see MM15 and MM16).

Ref	Part	Proposed Main Modification	Reason for Proposed Main Modification
MM15	Policy 16	Insert at end of first paragraph: ‘, and deliver high quality aftercare including provisions for ongoing management and maintenance where necessary.’	All main modifications are as a consequence of matters discussed at the public hearing sessions into the plan To specifically reference aftercare to reflect the NPPF.
MM16	Policy 16	Third paragraph- after ‘restoration’ add ‘and aftercare.’	To specifically reference aftercare to reflect the NPPF.
MM17	Policy 16	Remove fourth bullet point and add to end of second paragraph instead and alter wording as follows: ‘The restoration of sites for economic development purposes will be supported where fully in accordance with relevant planning policy and a secondary after-use is included that incorporates an ecologically beneficial after-use within the restored function.’	To aid clarity in relation to what is considered to be a secondary after-use.
MM18	Para 5.49	Delete paragraph.	To remove a superfluous paragraph.
MM19	Para 5.52	Delete paragraph.	To remove a superfluous paragraph.
MM20	Para 5.57	Delete paragraph.	To remove a superfluous paragraph.
MM21	Para 5.60	Delete paragraph.	To remove a superfluous paragraph.
MM22	Policy 17	Amend first criterion to read: ‘Planning conditions (including after-care conditions).’	To specifically reference aftercare as per amendments to Policy 16 (MM15 and MM16).
MM23	Para 6.13	Delete footnotes related to this paragraph.	To aid clarity in relation to mineral-related development which is now defined in the glossary.
MM24	Appendix 1: Site Profile A1 Calverton/ Passenham	Add new sub-section: Specific development requirements <ul style="list-style-type: none"> • Due to the proximity of the allocated site to sensitive receptors in the village of Passenham any planning application and accompanying site working scheme will need to include a satisfactory site layout (including screening and stand-offs where necessary) and management scheme that clearly demonstrates that it can adequately minimise and mitigate the impacts of the proposed development on nearby sensitive receptors and heritage assets including the properties and land constituting the Passenham Conservation Area. 	To give guidance as to specific matters that should be addressed in any planning application related to this allocation.

Ref	Part	Proposed Main Modification	Reason for Proposed Main Modification <i>All main modifications are as a consequence of matters discussed at the public hearing sessions into the plan</i>
MM25	Appendix 1: Site Profile A3 Northampton Road Lathbury, Specific development requirements	<p>Amend the specific development requirements sub-section as follows (new text underlined/deleted text struck through):</p> <ul style="list-style-type: none"> Due to the proximity to the settlements of Lathbury and Sherington villages any planning application and accompanying site working scheme <u>the site management plan (see Policy 12) will need to</u> should include a satisfactory site layout (including screening and stand-offs where necessary) and management scheme that clearly demonstrates that it can adequately minimise and mitigate the impacts of the proposed development on nearby sensitive receptors and heritage assets in the settlements of Lathbury and Sherington stand-off and suitable bunding/buffering from extraction and processing operations particularly in that part along Northampton Road nearest to the settlement of Lathbury and this should be at least 100m from the nearest property if bunding of at least 5m high is used or at least 200m if bunding is not used and the bunding should be in the working part of the site. The processing plant should be of a suitable design and scale and be located in an area that minimises the visual impact intrusion upon sensitive receptors and the character and appearance of the local landscape and is away from the settlement of Lathbury and other dwellings and should be separated by at least 400m from any dwellings. The processing plant is to be linked to mineral extraction <u>only</u> on the site and will not be used to process mineral from other sites. 	To give guidance as to specific matters that should be addressed in any planning application related to this allocation.
MM26	Appendix 1: Site Profile A4 Manor Farm and Lavendon Mill, Specific development requirements	<p>Add new sub-section: Specific development requirements</p> <ul style="list-style-type: none"> Due to the proximity of the allocated site to sensitive receptors including properties at Lavendon Mill, any planning application and accompanying site working scheme will need to include a satisfactory site layout (including screening and stand-offs where necessary) and management scheme that clearly demonstrates that it can adequately mitigate the impacts of the proposed development on nearby sensitive receptors and heritage assets. 	To give guidance as to specific matters that should be addressed in any planning application related to this allocation.
MM27	Appendix 3 Glossary	Add 'minerals-related development' definition: 'Mineral extraction and processing, the handling, processing and transport of secondary and	To aid clarity in relation to what constitutes 'minerals-related development'.

Ref	Part	Proposed Main Modification	Reason for Proposed Main Modification <i>All main modifications are as a consequence of matters discussed at the public hearing sessions into the plan</i>
MM28	Paragraph 2.19	recycled aggregate materials, rail heads and rail aggregate depots, rail links to quarries, wharfs and associated storage, handling and processing facilities as well as facilities for concrete batching, manufacture of other concrete products and coated materials.'	
MM29	Paragraph 4.33	Inert reference to Glossary at end of para: and recycled aggregate materials (see definition in glossary). Delete para 4.33 and re-number remaining paragraphs accordingly.	To aid clarity in relation to what constitutes 'minerals-related development'.
MM30	Paragraph 4.34	Add to start of paragraph Minerals-related development includes various different types of development associated with the processing, manufacturing and transportation of minerals and its products (see definition in glossary). Currently there is...	To aid clarity in relation to what constitutes 'minerals-related development'.
MM31	Paragraph 6.13	Delete reference to footnote and replace with reference to Glossary: ⁴⁷ (see glossary for full definition).	To aid clarity in relation to what constitutes 'minerals-related development'.
MM32	Footnote 7 on Page 49	Delete footnote 7 and re-number other footnotes accordingly.	To aid clarity in relation to what constitutes 'minerals-related development'.

Wards Affected:

All Wards

Report considered by Cabinet – 3 January 2017

CHANGES TO ARRANGEMENTS FOR THE APPOINTMENT OF EXTERNAL AUDITORS

Responsible Cabinet Member: Councillor Middleton – Cabinet member for Resources and Innovation

Report Sponsor: Nicole Jones – Corporate Director Resources

Author and contact: Jon Lee – Head of Integrated Finance Services Tel: 01604 367041

Executive Summary:

This report summarises the changes to the arrangements for appointing external Auditors following the closure of the Audit Commission and the end of the transitional arrangements at the conclusion of the 2017/18 audit of the accounts.

There are in essence two options for appointing external auditors for the Council from 2018/19 which are (1) to opt-in to a sector led national procurement arrangement, and (2) to appoint an independent Auditor Panel and procure locally.

The report sets out the advantages and disadvantages of each option ultimately recommending that the Council opt-in to the sector led procurement arrangement. The rationale for this recommendation being the need to set up, service and pay for an independent Auditor Panel, the complexity in developing the specification for a local procurement of external auditors, undertaking the procurement, negotiating the final contractual position and then managing the contract on an ongoing basis. All of this would be undertaken by the sector led body meaning resources can be focussed on the actual production and quality of the Statement of Accounts.

1. Recommendations

- 1.1 That the Council be recommended to approve the opt-in to the sector led body (Public Sector Audit Appointments) for the national procurement of external auditors and ultimately the Council's external auditors from 2018/19, which is the Audit Committee's recommended approach.
- 1.2 That officer colleagues be requested to write to Public Sector Audit Appointments and request to meet with its Chief Officer to seek assurance that a single auditor be appointed for the LGSS Partners setting out the clear rationale in terms of the efficiency and value for money that this would achieve.

2. Background and Issues

- 2.1 The Local Audit and Accountability Act 2014 has established new arrangements for the audit and accountability of relevant public sector

organisations including local authorities, clinical commissioning groups and police and crime commissioners in England.

- 2.2 The Secretary of State for Communities and Local Government decided to implement a phased introduction of the new local audit framework. There is currently a transitional period for local authorities, where the role of appointing external auditors and setting fee levels has been transferred from the now defunct Audit Committee and undertaken by the Public Sector Audit Appointments Ltd (PSAA), a subsidiary of the Local Government Association.
- 2.3 This transitional arrangement comes to an end for local authorities on 31 March 2018 with the audit of the 2017-18 financial statements. The new arrangements require local authorities to opt in to the PSAA sector-led auditor appointments, or appoint their own local external auditors, which can be done either individually or jointly with one or more other authorities by 31 December 2017.
- 2.4 The scope of the audit will continue to be specified nationally, the National Audit Office (NAO) is responsible for writing the Code of Audit Practice which all firms appointed to carry out local authority audits must follow. Not all accounting firms will be eligible to compete for the work, they will need to demonstrate that they have the required skills and experience and be registered with a Registered Supervising Body approved by the Financial Reporting Council. It is less likely that small local independent firms will meet the eligibility criteria.
- 2.5 At present the current auditors for the LGSS Partners are all different with KPMG, Ernst and Young and BDO currently appointed as auditors for Northamptonshire County Council (NCC), Milton Keynes Council (MKC) and Cambridgeshire County Council (CCC) respectively. KPMG are also the auditors for Northampton Borough Council (NBC), one of LGSS's customers.
- 2.6 LGSS in 2015-16 has operated with a single integrated closedown team to deliver the financial statements including the external audit management across NCC, CCC and LGSS. This team has recently been expanded to incorporate the accounts and audit for both MKC and NBC.
- 2.7 Therefore there is a strong case to have a single external auditor across all LGSS partners. This will ensure the most effective management of the external audit relationships within the integrated closedown team. In addition a single auditor will enable efficiencies to be achieved in the audit processes and arrangements to help achieve the earlier statutory deadlines for the financial statements across all LGSS Partners.

3. **Options for the Local Appointment of External Auditors**

- 3.1 There are in effect two different approaches available to appoint external auditors with effect from the 1 April 2018, which are to:
 - (a) opt in to the PSAA sector-led appointments process; or
 - (b) establish an auditor panel to advise on the appointment of the local external auditor and to ensure the maintenance of independent relationships.

3.2 A recent LGA survey of local authorities found that 58% of authorities were expecting to 'opt in' to a sector led body, rather than appoint their own auditor. A further 35% of authorities were looking to form some kind of collective procurement arrangement.

3.3 Each of these options is considered further in the following sections.

Option 1 PSAA Sector Led National Scheme for Audit Appointments

3.4 The PSAA have been confirmed as the government's sector led body to manage the auditor appointments for those authorities opting in to this arrangement.

3.5 The ability to negotiate lower fees with the firms as a result of being able to offer higher volumes of work is considered one of the main benefits of a sector led approach. The greater the number of authorities that have signed up at the outset, the better the economies of scale that are likely to be achieved. However there is a risk that being part of a sector led arrangement will increase costs due to additional requirements that the PSAA may place on any successful audit firms.

3.6 The general legal, financial and reputational risks of undertaking a new procurement process would be mitigated for each local authority with this approach. The sector led option would also reduce the finance, procurement, legal, internal audit management overhead and staff time associated with a new procurement and establishing a new Audit Panel (refer to option 2).

3.7 There will not be a fee to join the sector led arrangements, however the audit fees that opted-in bodies will be charged by PSAA will cover the costs of appointing auditors. PSAA is not for profit and will pool scheme costs and charge fees on a scale based on size, complexity and audit risk. Surplus funds will also be returned to scheme members. The PSAA believe that highly competitive audit fees will be achieved through the sector-led procurement.

3.8 Additionally assurances have not been received from the PSAA that the opt-in arrangements could and would guarantee a single appointment across NCC, MKC and CCC. This is a risk to LGSS in terms of managing the external audit arrangements and relationships within the Integrated Closedown team which is likely to prohibit the efficiencies that can be achieved by the integrated team. However the PSAA do state that the scheme "will endeavour to appoint the same auditors to bodies which are involved in formal collaboration/joint working initiatives or with combined authority areas, if the parties consider that a common auditor will enhance efficiency and value for money" (PSAA, *Developing the option of a national scheme for local auditor appointments*).

3.9 The date by which local authorities will need to formally opt-in to the PSAA sector led appointing person arrangement is 9 March 2017. In addition to the formal agreement for any authority to opt in, the decision must be approved by the Full Council. The expectation is that the PSAA will aim to award contracts to audit firms by June 2017, giving 6 months to plan and organise which firm is appointed to each individual authority before the 31 December 2017 deadline. The expected timetable for the sector-led option is set out over the page.

Action / Milestone	Date
Invitation to opt in issued	27 October 2016
Full Council approval to opt in	January/February 2017
Closing date for receipt of notices to PSAA to opt in	9 March 2017
PSAA contract notice published	20 February 2017
PSAA award audit contracts	End of June 2017
PSAA consult on and make auditor appointments	End of December 2017
PSAA consult on and publish scale fees	End of March 2018

- 3.10 Authorities will not be prevented from joining the sector-led arrangements in later years but the earliest opportunity to opt in after the closing date will be after 1 April 2018 with the appointment of auditors for 2019-20 accounts. However, in order to be in the best position to negotiate good rates for authorities the PSAA is encouraging as many authorities as possible to opt in from the outset.

Option 2 Appoint an Independent Audit Panel and Locally Procure

- 3.11 There are different options available if an Audit Panel approach is to be adopted which are:
- (a) a separate and individual auditor panel, solely for one Council only;
 - (b) a joint auditor panel with one or more other authorities, such as the LGSS Partner Authorities;
 - (c) using the services of or using an existing committee or sub-committee to act as the auditor panel (subject to compliance with the other provisions and regulations relating to auditor panels); or
 - (d) using another authority's auditor panel to carry out the functions for another Council.
- 3.12 The use of an Auditor Panel and a local procurement would achieve the intended outcome of having a single external auditor for the LGSS Partners. However there are further complexities, risks and costs associated with this approach. For each option above a procurement exercise will be necessary as well as full Council approval along with funding to meet the costs of a local procurement process. Costs will include the recruitment of independent appointees (members), servicing the Panel, running a bidding and tender evaluation process (and any retenders in subsequent years), letting a contract and managing the contract, and paying members fees and allowances.
- 3.13 CIPFA has issued guidance on the Auditor panel the link to which can be found in the Source Documents section.

- 3.15 The Auditor Panel must comply with the following requirements:
- (a) the minimum number of members that an auditor panel must have is three;
 - (b) there must be a majority of independent members as well as an independent Chair. For a panel meeting to be quorate, there must be a majority of independent members present at the meeting;
 - (c) for joint auditor panels, it is likely that each authority will want to have representative members. For each additional member, there will need to be an additional independent member;
 - (d) specific regulations clarify how independence is to be defined for the purposes of auditor panels;
 - (e) panel members should have a certain level of specific knowledge and experience to ensure that the panel carries out its duties effectively. Authorities will need to ensure that they draft panel member job descriptions carefully and advertise widely enough to reach those potential candidates with the correct skills and experience and maximise the number of suitable applicants for those vacancies; and
 - (f) panel members may be paid an allowance and any reasonable expenses covered, but it is for authorities to determine such arrangements themselves.

3.16 Following these principles would mean that the audit panel responsibility could not be transferred to an existing LGSS partner authority Audit Committee, due to the lack of independent members. As such a new Committee would need to be established, which would be expected to work alongside the existing Audit Committees at each LGSS Partner.

3.17 CIPFA have indicated that there is likely to only be the requirement for a few audit panel meetings during the external audit procurement exercise, and very few meetings once the external auditor has been procured. CIPFA have also advised that there would be little involvement from existing Audit Committees other than being informed of progress and decisions and offering comment.

3.18 There are a number of advantages and disadvantages of a local audit procurement exercise, overseen by an Auditor Panel, which vary depending on the specific type of Auditor Panel that is established. These are set out in the attached **Annex**.

Audit Committee Endorsement

3.19 The Auditor Appointment arrangements have been discussed with the Audit Committee at its meeting on 28 September 2016. The Audit Committee supports the recommendation of opting into the sector led procurement.

4. Implications

4.1 Policy

The decision required is linked to the Council's statutory requirement to prepare and have independently audited its annual Statement of Accounts.

4.2 Resources and Risk

There are no resources or risk implications arising directly from the recommended decision.

N	Capital	N	Revenue	N	Accommodation
N	IT	N	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

The proposal of this report does not have any implications regarding the Council's Carbon and Energy Management Policy.

4.4 Legal

The legal position is set out within Section 3 of this report. In addition the following should be noted.

Section 7 of the Local Audit and Accountability Act 2014 (the Act) requires a relevant authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year. Section 8 governs the procedure for appointment including that the authority must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor. Schedule 3 of the Act provides that where a relevant authority is a local authority operating executive arrangements, the function of appointing a local auditor to audit its accounts is not the responsibility of an executive of the authority under those arrangements.

Section 12 makes provision for the failure to appoint a local auditor: the authority must immediately inform the Secretary of State, who may direct the authority to appoint the auditor named in the direction or appoint a local auditor on behalf of the authority.

Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a Sector Led Body to become the appointing person.

4.5 Other Implications

There are no other significant implications arising directly from this decision.

N	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	N	Stakeholders	N	Crime and Disorder

Annex: Advantages and Disadvantages of the Auditor Panel Approach

Background Papers:

Source Documents	Location
The Local Audit and Accountability Act 2014	http://www.legislation.gov.uk/ukpga/2014/2/contents
CIPFA Guide to Auditor Panels	http://www.cipfa.org/policy-and-guidance/publications/g/guide-to-auditor-panels-pdf
Developing the Option of a National Scheme for Local Auditor Appointments	http://www.psaa.co.uk/wp-content/uploads/2016/08/PSAA-A5-web-portrait-August-2016.pdf

Advantages and Disadvantages of the Auditor Panel Approach

Option	Possible Advantages	Possible Disadvantages
<p>Set up own separate and individual panel to oversee separate and individual procurement</p>	<p>Full ownership of the process</p> <p>Fully bespoke contract with the auditor</p> <p>Tendering process more based on local circumstances (within EU procurement rules)</p>	<p>May experience difficulties in appointing majority independent panel members and independent panel chair as per the regulations</p> <p>Will need to ensure that panel members are suitably qualified to understand and participate in the panel's functions</p> <p>Additional costs to undertake the procurement, service the Auditor Panel and to cover expenses</p> <p>May not be able to procure at a lower cost, for example, depending on authority location, where there will be a risk of limited provider choice</p> <p>Would not achieve the desired outcome of a single external auditor across LGSS partners</p>
<p>Set up a panel jointly with other authority/ authorities as part of a procurement exercise for a joint contract covering more than one authority or multiple separate contracts</p>	<p>Less administration than a sole auditor panel</p> <p>Will be able to share the administration expenses</p> <p>May be easier to attract suitable panel members from a broader area</p> <p>If procuring a joint audit contract it will still be a locally tailored process and would also achieve some economies of scale</p> <p>If procuring separate audit contracts there would be an opportunity for fully bespoke contracts with the auditor if the group of authorities can agree</p> <p>Would achieve the desired outcome of a single external auditor across LGSS partners</p>	<p>May need to be an element of compromise for a joint audit contract</p> <p>Additional costs to undertake the procurement, service the Auditor Panel and to cover expenses</p> <p>May not end up with first choice of auditor, compared to an individual auditor panel. If a large group of authorities work together and decide to appoint one joint audit contract across all the authorities, a joint panel may be more likely to advise appointment of an auditor it considers suitable for all authorities taken together. However this is not a disadvantage when compared to the PSAA sector-led approach where the auditors are simply notified.</p>

Option	Possible Advantages	Possible Disadvantages
		Need to agree appointment of members across multiple authorities and set up an appropriate joint decision-making process
Use existing committee or sub-committee	Existing administrative structure in place Existing (sub)committee should already have a better basic understanding of the authority's objectives and requirements	Possible need to appoint new (sub) committee members to comply with independence regulations May not be appropriate where there is more than one authority due to the embedded context in the organisation within which the Committee already operates.
Use another authority's panel	Will not have to set up an auditor panel Arguably most independent option for the authority using the host authority's panel	The panel may not understand the specific needs and context of the authority May need to enter into a formal arrangement with other authorities May be difficult to find an authority willing to enter into such an arrangement May be more difficult to ensure adequate liaison with the authority's own audit committee Loss of control / input into the process and arrangements

Wards affected:

All Wards

ITEM 4(d)(iv)

MILTON KEYNES COUNCIL

11 JANUARY 2017

Report considered by Cabinet – 3 January 2017

HOUSING REVENUE ACCOUNT BUDGET 2017/18

Responsible Cabinet Members: Councillor Long - Cabinet member for Adult care and Housing

Councillor Middleton - Cabinet member for Resources and Innovation

Report Sponsor: Nicole Jones, Corporate Director Resources Tel: 01908 252079

Author and Contact: Mark Smith, Strategic Finance Business Partner (Housing & Planning) Tel: 01908 253904

Executive Summary:

Milton Keynes Council is strongly committed to providing a high quality Council housing service and to growing the service over the coming years. It aims to ensure a financially strong housing account as the foundation of future growth and effective regeneration.

This report proposes the 2017/18 Housing Revenue Account Budget, Dwelling Rent and 2017/18 Housing Fees & Charges for the approval of Cabinet and recommendation to Council.

The details in this report have been prepared in accordance with the framework set out in the Financial Sustainability Plan, considered by Cabinet on 6 December 2016.

Councillor Nigel Long

1. Recommendations

- 1.1 That the Housing Revenue Account Revenue Budget 2017/18 be recommended to Council for adoption.
- 1.2 That the Housing Revenue Account Dwelling Rent 2017/18, a reduction of 1% as set out in paragraph 2.7, an average of 89p per week, be recommended to Council.
- 1.3 That the Council be recommended to agree that the Housing Revenue Account fees and charges for 2017/18 be set in accordance with the Income and Collection Policy, apart from the proposed exceptions as set out in **Annex E**.
- 1.4 That in line with the requirements of the Local Government Finance Act 2003, it be noted that the Corporate Director, Resources, is of the view that the proposed budget is robust and that the forecast reserves are adequate.

2. The Housing Revenue Account

- 2.1 The Housing Revenue Account (HRA) is a ring-fenced account, which is used for income and expenditure relating to the provision of housing by the council to tenants and leaseholders. It is funded by rents rather than from Council Tax (which supports other services).
- 2.2 There was a major change to the financing of the HRA from April 2012, due to the implementation of the “Self-Financing” regime. This change meant the Council took on £170m of debt in exchange for no longer paying Housing Subsidy. The subsequent income and expenditure of the HRA should therefore be based on local rather than national decisions, and reflect investment needs informed by Asset Management Plans, e.g the Council’s regeneration programme. However, the government plans to legislate for a 1% rent reduction has affected the Council’s ability to make decisions locally on the Housing Revenue Account.

HRA Planning Assumptions

- 2.3 The HRA Budget for 2017/18 has been prepared on the basis of the corporate planning assumptions which were set out in the Financial Sustainability Plan approved in December. In addition the following planning assumptions specific to the HRA have been made:

Income

a) Dwelling Rents

- 2.4 The self-financing regime enabled councils to set council rents, according to the assessment of the need for spending on the management and maintenance of its housing stock, and other items within the HRA, constrained only by Housing Benefit limits. The council has been able to choose to what extent (if any) to follow government rent-setting guidance. However, the £170m of additional debt assumed that rent would continue to be set in line with the government’s Rent Restructuring policy, including increases at RPI + ½%.
- 2.5 The Government announced in May 2014 a new policy that social rents should instead increase by CPI + 1% for the ten years from 2015/16 to 2024/25, with no further restructuring.
- 2.6 The Government has since incorporated into the Welfare Reform and Work Act a reduction in social housing rents of 1% per year for the four years commencing April 2016. This measure will reduce rent income for the next three years, with the impact being compounded each year.
- 2.7 Rent increases complying with the 1% cut will continue to decrease income for the HRA in 2017/18. Based on a rent cut of 1% in 2017/18, average rent would decrease to £87.88 per week, an average decrease of £0.89 per week.
- 2.8 The 2017/18 rent decrease for shared owners will be 1.00%; this is contractual, based on last year’s council housing rent decrease. This would mean an average rent of £84.45 per week (a decrease of £0.85 per week) although this figure varies with the share owned by the tenant.

- 2.9 The rent decreases will reduce HRA income by £0.536m in 2017/18. A further reduction of £0.132m will result from the closure of the Orchard House sheltered scheme. These reductions will be offset by £0.153m additional income from new council housing.
- 2.10 The national welfare reform changes are currently a risk to some of the income in the HRA. Under the current arrangements the rent for those people in receipt of Housing Benefit is paid directly to the council, under the Government plans for welfare reform this money will increasingly be paid directly to the resident as part of Universal Credit, now being rolled out in Milton Keynes, for them to make rent payments. This means income, which was previously guaranteed to the HRA, may now not be collected. In addition the general reduction in benefits through welfare reform (including the “bedroom tax”) reduces the income available to some tenants, which increases the risk of non-payment. Actions to mitigate these risks are set out in **Annex D**.
- 2.11 Due to these increased risks in relation to income collection, the budgeted level of collection for gross housing income from 2013/14 onwards was reduced from 93% to 92%. This has been reviewed (against the October 2016 performance of 92.79%) and it remains prudent to assume a level of 92% for 2017/18. However, all debts will continue to be rigorously pursued through prompt, proactive and robust processing by a specialised Housing Team. Income collection remains a priority and is demonstrated by the 2015/16 year-end collection rate covering rent income only (the measure based on the old Best Value Performance Indicator 66A) of 98.00%.
- 2.12 Risks arising from the Housing & Planning Act (“Pay To Stay” and sale of “Higher Value Voids”) are not expected to have a material impact in 2017/18, since the government has announced that Pay To Stay will be voluntary (and is not planned to be introduced in Milton Keynes) and that a levy in respect of sales of Higher Value Voids will not be implemented in 2017/18.

b) Right to Buy sales

- 2.13 The Government made changes to the Right to Buy (RTB) scheme effective from April 2012 through an increase in the discount available, intended to increase the number of RTB sales. The proposed budget provides for RTB and Shared Ownership sales as set out below, based on current year activity, which reduces the rent income expected by £0.281m.

Table 1: Right To Buy and Shared Ownership sales

Stock Movement	2017/18	2018/19	2019/20	2020/21
Right To Buy sales	60	60	50	40
Shared Ownership escalation	8	8	5	5

c) Garage Rents

- 2.14 Following investigation of other local authorities’ garage rents, and consideration of the marketability of housing garages in Milton Keynes, it is recommended that there be no increase or decrease in 2017/18. The average charge would therefore remain at £11.79 per week, as set out in **Annex E**.

d) Leaseholders' Service Charges & Major Works Recharges

- 2.15 Leaseholders' service charges are estimated in line with costs of providing the service. Recovery of costs for major works in respect of leaseholders is also assumed. Collection rates of 95% and 70% respectively are provided for.

e) Tenants' Service Charges

- 2.16 General Needs tenants' service charges were reviewed for 2016/17, and are expected to move closer to covering the costs of providing the various services as savings from the 1% rent cut are applied to increase the capped charges.
- 2.17 Sheltered Housing tenants' service charges have been reviewed for 2017/18, and are proposed be aligned to covering the costs of providing the various services, subject to a cap equivalent to the product of the 1% rent cut being applied to increases. The resulting service charge increases and decreases are being consulted upon and will be determined on 10 January.

Expenditure

f) Repairs and Maintenance

- 2.18 Revenue savings of £1.310m are expected, as a result of gas maintenance work being undertaken through the regeneration partnership rather than through a separate contract.

g) General Management, Special Services & Other Property Costs

- 2.19 Review of the cost allocation of Sheltered Housing Officers has led to a £0.185m greater cost to the HRA, reflecting the proportion of housing duties undertaken.
- 2.20 Revenue savings of £0.243m are expected from increased efficiencies in General Management and support services.

h) Interest & repayment of borrowing

- 2.21 Interest charges are expected to decrease by £1.125m in line with the council's overall cost of borrowing as a result of capital financing and Treasury Management operations and increased interest earned on HRA balances.

i) Funding for Capital Investment

- 2.22 The HRA is charged with depreciation each year, which reflects the cost of wear and tear on HRA assets (principally the housing stock). The depreciation charge is paid into the Major Repairs Reserve, which finances the costs of major repairs.
- 2.23 The council also makes further contributions from the HRA toward the costs of capital improvements, based upon an Asset Management Plan which assesses the costs of maintaining and renewing all the building elements within the housing stock, and of the regeneration programme, which will be refreshed and updated by the Regeneration Partner. The 2017/18 contribution is expected in the budget and Financial Sustainability Plan to increase by £2.546m, which is the gas maintenance saving plus the surplus in the HRA after maintaining a prudent level of balances, from £11.985m in 2016/17 to £14.531m.

2.24 During 2017/18, the council will need to expend over £9.75m on new affordable housing, in respect of the £2.92m of “One For One” Right To Buy receipts retained in 2014/15, using £6.83m of other housing capital resources (including revenue contributions). The expenditure will include both the acquisition of properties on the open market, and the construction of new council housing as set out in the council’s Delivery Plan Objective 2.3, to finish the current programme of new council house building by December 2018 which will be delivered through YourMK, the regeneration partnership. Funding for this has been allocated in the 2017/18 Capital Programme.

j) Contribution to Earmarked Reserves

2.25 When reviewing the potential financial risks to the HRA a number of issues have been identified, where it would be prudent to provide a reserve for adverse positions. It is therefore recommended that annual contributions of £0.6m continue to be made to specific reserves as follows:

Table 2: Contributions to Earmarked HRA Reserves

Reserve	Reason	Contribution £m
Debt Refinancing Reserve	To phase the costs of any significant increases in debt financing costs.	0.100
Major Project Costs	To provide for major variations in the costs of capital schemes, as additional borrowing cannot be undertaken.	0.500
Total Annual Contributions to Earmarked Reserves		0.600

3. Summary of the 2017/18 HRA Budget

3.1 The following table shows the summary 2017/18 budget for the HRA. The proposed 2017/18 HRA Budget is compared to the 2016/17 budget in **Annex A**.

Table 3: Summary of the proposed HRA Budget

Item	2017/18 £m
Income:	
Dwelling rents	(52,876)
Other income	(2,930)
Total income	(55,806)
Expenditure:	
Repairs and maintenance	9,470
General Management & Special Services	8,776
Interest and repayment of borrowing	8,644

Table 3: Summary of the proposed HRA Budget

Item	2017/18 £m
Funding for future capital repairs (depreciation charge)	12,978
Funding for future capital improvement works (RCCO)	14,531
Contribution to Earmarked Reserves	600
Other expenditure	807
Total Expenditure	55,806
Net budget for the year	0
<i>Forecast Reserve Balance - brought forward from 2016/17</i>	<i>5.910</i>
<i>Forecast Reserve Balance - carried forward to 2018/19</i>	<i>5.910</i>

4. Reserves

- 4.1 The minimum level of prudent HRA reserve to cover unforeseen adverse circumstances has been assessed at £4.5m. The reserve level at the end of 2017/18 is forecast to be £5.9m which exceeds this minimum level. The medium term projection in **Annex C** indicates that HRA reserves will remain at this level for the medium term planning period, although both earmarked reserves and balances will need to be reviewed in light of the regeneration programme.

5. Recharges

- 5.1 The Service Reporting Code of Practice requires Council's to determine the full cost of services, by allocating overheads to these services. The overhead charges will be finalised once the final 2017/18 Budget has been set by Council.

6. Fees and Charges

- 6.1 The proposed fees and charges are in accordance with the principles set out in the Income and Collection Policy. The main principles in this Policy are:
- Charges will increase annually, informed by future consumer price index (CPI) forecasts.
 - Charges are based on the full recovery of cost.
 - Concessions are only for those in receipt of specific benefits, unless specifically agreed otherwise.
 - Discretionary services will be charged for in advance, unless specifically agreed otherwise (e.g. for efficiency reasons).
- 6.2 The two main reasons for exceptions to the policy in the fees and charges proposed are:
- Additional concessions.
 - Charges not increased in line with the policy.
- 6.3 The exemptions to the Income and Collection policy are outlined in **Annex E**.

7. Robustness and Risks

- 7.1 A critical element of the Financial Sustainability Plan and Budget is to ensure that the financial consequences of risk are adequately reflected in the Council's finances.
- 7.2 In preparing the Budget for 2017/18, where a clear financial impact has been identified, this has been dealt with through the actions set out in this report or the Financial Sustainability Plan report. Where the impact is not known this has been highlighted as a risk.
- 7.3 The potential risks for the Council are outlined in the HRA Budget Risk Register at **Annex D**. The overall risk assessment for the HRA considering the specifics outlined in **Annex D** has determined that the £4.5m of HRA Balances is adequate to ensure that the risks can be managed within the proposed HRA Budget.

8. Implications

Policy

- 8.1 The Council's Budget and Financial Sustainability Plan are the financial expression of all the Council's policies and plans.

Resources and Risk

Yes	Capital	Yes	Revenue	No	Accommodation
No	IT	Yes	Medium Term Plan	Yes	Asset Management
		Yes	Equality Impact		

9. A Equality Impact Assessment (the full assessment can be found at <http://j.mp/MKCEqIA16-22>) was completed and found that it was difficult to isolate the impact on equality. The reduction, which continues a series of year-by-year reductions, will have an effect on the Council's income, affecting its ability to build council houses and regenerate existing ones, both of which have far-reaching equality consequences. In general, those benefitting from the reduction of rent will find a small advancement in their equality of opportunity.
- 9.1 A budget risk register is available at **Annex D** to this report.

Carbon and Energy Management

- 9.2 There are no direct carbon and energy management implications as a result of this report. However, the service plans including the savings proposals and the appraisals that support capital schemes funded from HRA resources may have Carbon and Energy Management Implications and those documents will set these out.

Legal

- 9.3 The Council must set its budget, including the Housing Revenue Account budget, in accordance with the provisions of the Local Government Finance

Act 1992. Approval of a sound budget each year is a statutory responsibility of the Council.

- 9.4 Section 76 of the Local Government and Housing Act 1989, Part VI, requires that the Council considers the HRA budget during January and February, and provides that the budget may include “best assumptions” and “best estimates” of income and expenditure amounts.

10. Related Decisions

- 10.1 Related decisions include the Financial Sustainability Plan, approved by Cabinet on 6 December 2016.

11. Annexes

- 11.1 The following annexes are appended to this report:

HRA compared to the 2016/17 Budget	Annex A
HRA Budget Pressures and Savings	Annex B
HRA Budget and Medium Term Forecast	Annex C
HRA Budget Risks	Annex D
HRA Fees & Charges	Annex E

Background Papers

- Local Government & Housing Act 1989
- Housing Revenue Account Self-financing Determinations, February 2012, Department for Communities and Local Government.
- Cabinet 6 December 2016 – Financial Sustainability Plan [http://milton-keynes.cmis.uk.com/milton-keynes/Calendar/6 December 2016 Cabinet Meeting Financial Sustainability Plan](http://milton-keynes.cmis.uk.com/milton-keynes/Calendar/6%20December%202016%20Cabinet%20Meeting%20Financial%20Sustainability%20Plan)
- Cabinet 6 December 2016 – Draft Council Budget 2017-18 [http://milton-keynes.cmis.uk.com/milton-keynes/6 December 2016 Cabinet Meeting Draft Council Budget](http://milton-keynes.cmis.uk.com/milton-keynes/6%20December%202016%20Cabinet%20Meeting%20Draft%20Council%20Budget)
- Budget Scrutiny Committee 14 December 2016 - Agenda [http://milton-keynes.cmis.uk.com/milton-keynes/14 December 2016 Budget Scrutiny Committee Agenda](http://milton-keynes.cmis.uk.com/milton-keynes/14%20December%202016%20Budget%20Scrutiny%20Committee%20Agenda)
- Welfare Reform and Work Act 2016
- Housing and Planning Act 2016

Housing Revenue Account - 2016/17 and 2017/18 Budgets

HRA Budgets	Approved 2016/17* Budget £000's	Forecast 2016/17 Outturn £000's	Forecast 2016/17 Variance £000's	Proposed 2017/18 Budget £000's
Dwelling rents	(53,788)	(53,783)	5	(52,876)
Garage & Commercial Rents	(348)	(340)	8	(206)
Other Income	(2,300)	(2,537)	(237)	(2,724)
Total Income	(56,436)	(56,660)	(224)	(55,806)
Repairs and Maintenance	10,944	10,947	3	9,470
General Management	6,338	6,068	(270)	5,760
Special Services	2,929	3,134	205	3,016
Rent, Rates, & Other Charges	189	196	7	193
Provisions	614	466	(148)	614
Interest & Repayments	9,453	9,718	265	8,644
Depreciation & Impairment	13,135	13,135	0	12,978
Capital Transfers	11,984	11,984	0	14,531
Contribution to Earmarked Reserves	850	582	(268)	600
Total Expenditure	56,436	56,230	(206)	55,806
Total Housing Revenue Account	0	(430)	(430)	0

**2016/17 budget includes temporary budget virements relating to part year effect of salary adjustments (increments).*

Housing Revenue Account Pressures and Savings 2017/18

Budget Line	£000's	Item
Rent Income	281	Rent income reduction due to RTB sales
Rent Income	536	Rent income reduction due to Government policy of 1% cuts until 2019/20
Rent Income	115	Sheltered Housing – Cleaning removed from Rent to Service Charge income
Rent Income	132	Rent & service charge income reduction due to Orchard house decant
Repairs & Maintenance	18	Increase in maintenance costs (PPP – Price Per Property) due to new council housing
Repairs & Maintenance	69	Asbestos contract inflation
General Management	42	Apprenticeship levy, legislative charge at 0.5% of pay costs
General Management	104	Pay & Non-Pay inflation as set out in Budget Report
Special Services	185	Increased contribution to Sheltered Housing staffing costs
Capital Charges	12	Increase capital charges due to new Council housing (interest + depreciation)
Contribution to Reserves	1,310	Increased contribution to Regeneration Reserve as a result of Gas Maintenance contract savings
Gross Budget Pressures	2,804	Subtotal HRA Pressures
Rent Income	(153)	Increase in rent income from new Council housing (Bletchley garage sites, Blind Pond Farm, YourMK 5 sites, and Regeneration Area acquisitions)
Service Charges	(41)	Increase in Sheltered Housing service charges (capped at value of 1% rent cut)
Service Charges	(80)	Increase in General Needs Housing service charges
Repairs & Maintenance	(63)	Savings from refurbishment and change in use of Orchard House to Temp Accommodation. (decrease in Price Per Property, saving in depreciation, utilities saving)

Budget Line	£000's	Item
Repairs & Maintenance	(19)	Maintenance cost reduction (Price Per Property) due to Right to Buy (RTB) sales
Repairs & Maintenance	(1,310)	Savings in Gas maintenance contractual arrangements
Repairs & Maintenance	(102)	Non-Pay inflation in line with corporate assumptions - gas saving
General Management	(43)	Housing Improvement team staffing saving
General Management	(200)	Reduction in Fixed (corporate support) recharges, as a result of the annual review of cost allocation bases.
Capital Charges	(41)	Reduction in depreciation charge due to RTB sales
Capital Charges	(42)	Reduction capital interest charges due to RTB sales (use of receipts debt allowance to reduce debt & interest)
Capital Charges	(873)	Decrease in interest payable and depreciation, as a result of capital financing and Treasury Management operations
Interest Receivable	(160)	Interest receivable on HRA balances
Contribution to Reserves	(250)	End contribution to impairment reserve as housing stock impairments will continue to be reversible.
Gross Budget Savings	(3,377)	Subtotal HRA Savings
Net Pressures/(Savings)	(573)	Total HRA Pressures/(Savings)
Contribution to Reserves	573	Increased contribution to Asset Investment Reserve as a result of net HRA savings.
Total HRA Budget	0	Total Housing Revenue Account

Housing Revenue Account Budget and Medium Term Forecast

HRA Budget 2016/17 to 2020/21	Approved 2016/17* Budget £000's	Proposed 2017/18 Budget £000's	Draft 2018/19 Budget £000's	Draft 2019/20 Budget £000's	Draft 2020/21 Budget £000's
Dwelling rents	(53,788)	(52,876)	(52,236)	(51,584)	(52,614)
Garage Rents	(206)	(206)	(206)	(206)	(206)
Commercial Rents	(143)	(143)	(143)	(143)	(143)
Heating & Utility Charges	(881)	(888)	(983)	(1,072)	(1,072)
Leaseholders' Service Charges	(800)	(800)	(800)	(800)	(800)
Charges for Services and Facilities	(118)	(232)	(232)	(232)	(232)
Contributions towards expenditure	(5)	(5)	(5)	(5)	(5)
Reimbursement costs	(176)	(176)	(176)	(176)	(176)
Interest Receivable	(320)	(480)	(450)	(350)	(300)
Total Income	(56,437)	(55,806)	(55,231)	(54,568)	(55,548)
Repairs & Maintenance	10,944	9,470	9,522	9,510	9,499
General Management	6,329	5,760	5,830	5,902	5,975
Special Services	2,938	3,016	3,069	3,123	3,179
Rent, Rates, & Other Charges	189	193	199	205	210
Bad & Doubtful Debts	614	614	614	614	614
Interest & repayment of capital debt	9,453	8,644	7,988	7,925	8,037
Depreciation and Impairment	13,135	12,978	12,980	12,933	12,898
Capital Transfers	11,985	14,531	14,429	13,756	14,536
Contribution to Earmarked Reserves	850	600	600	600	600
Total Expenditure	56,437	55,806	55,231	54,568	55,548
Total Housing Revenue Account	0	0	0	0	0

*2016/17 budget excludes temporary budget virements in 2016/17 relating to part-year effect of salary increment adjustments

2017/18 HOUSING REVENUE ACCOUNT BUDGET RISK MATRIX

Impact	5					
	4			H4		
	3		H2	H3		
	2			H1		
	1					
		1	2	3	4	5
Likelihood						

No.	Risk Title/Description	Control	Residual Risk Level
H1	Reduction in rental income due to the roll-out of Universal Credit and changes in the Welfare Reform and Work Act, reducing the ability of the HRA to finance investment in the housing stock	The HRA medium term financial plan includes reductions in the forecast of rental income to allow for potential loss of income as a result of Welfare Reforms. The impact of changes will be closely monitored and the impact on the forecast budget will be considered before any long-term investment decisions are made. The Council will respond robustly to any consultation on the proposed changes.	6
H2	The total impact of any overspends on capital projects would need to be met by the HRA in a single financial year. In light of the potential major development work planned in the HRA for the medium term through the regeneration programme, this is a significant risk	Capital projects are managed through the Council's MK approach, allowing potential overspends to be identified and mitigated individually as they arise. A reserve has been established to enable any in-year impacts to be contained.	6
H3	The Government's policy of Higher Value Asset sales may result in large levies against the HRA.	No levy will be implemented for 2017/18. The Council will respond robustly to any consultation on the proposed implementation in future years. Levies may be met from disposals of stock, or from other HRA	9

No.	Risk Title/Description	Control	Residual Risk Level
		resources. Options will be analysed and policy and financial plans will be developed once details of implementation are available.	
H4	The current housing stock needs significant investment, through a programme of regeneration. This will require significant investment and due to the housing debt cap is expected to involve an external partner to generate income which could be invested into the housing stock. This is a major project; decisions on financing and funding will be dependent on asset management and stock condition data.	A Regeneration Partner, the Mears Group, was appointed in December 2015 and work is continuing on development of the partnership (YourMK LLP), stock condition surveys, and asset management planning to inform the programme of community and regeneration engagement.	12

2017/18 HRA Fees and Charges

Activity/Item	Basis	VAT	2017/18	2017/18	2016/17	2016/17	Change	Reason divergent from Income Policy (CPI @ 0.5%)
Average Tenant Dwelling Rent (all stock types)	Per Week	N	87.88	87.88	88.77	88.77	-1.00%	Set by Council annually
Average Shared Ownership full equivalent Dwelling Rent	Per Week	N	84.45	84.45	85.30	85.30	-1.00%	Set in lease as previous year's tenants' increase
Garage Rents - non-VATable	Per Week	N	11.79	11.79	11.79	11.79	0.00%	No change
Garage Rents - VATable	Per Week	Y	11.79	14.15	11.79	14.15	0.00%	No change
Carport Rents - non-VATable	Per Week	N	2.33	2.33	2.33	2.33	0.00%	No change
Carport Rents - VATable	Per Week	Y	2.33	2.80	2.33	2.80	0.00%	No change
Concierge Charge - General Needs Tenants	Per Week	N	Varying	Varying	5.77	5.77	n/a	Charges to individuals will vary during transition period to full cost recovery
Communal Cleaning - General Needs Tenants	Per Week	N	TBC	TBC	2.39	2.39	n/a	Charges to individuals will vary during transition period to full cost recovery
Communal Caretaking - General Needs Tenants	Per Week	N	TBC	TBC	0.95	0.95	n/a	Charges to individuals will vary during transition period to full cost recovery
Communal Heating - Sheltered Housing Tenants	Per Week	N	TBC	TBC	11.19	11.19	n/a	To be agreed by Delegated decision on 10 January 2017
Communal Heating - General Needs Tenants	Per Week	N	TBC	TBC	6.60	6.60	n/a	Charges to individuals will vary during transition period to full cost recovery
Communal Lighting - Sheltered Housing Tenants	Per Week	N	TBC	TBC	2.98	2.98	n/a	To be agreed by Delegated decision on 10 January 2017

Activity/Item	Basis	VAT	2017/18	2017/18	2016/17	2016/17	Change	Reason divergent from Income Policy (CPI @ 0.5%)
Communal Lighting - General Needs Tenants	Per Week	N	TBC	TBC	0.93	0.93	n/a	Charges to individuals will vary during transition period to full cost recovery
Communal Gas - Sheltered Housing Tenants	Per Week	N	TBC	TBC	0.81	0.81	n/a	To be agreed by Delegated decision on 10 January 2017
Communal Water - Sheltered Housing Tenants	Per Week	N	TBC	TBC	4.43	4.43	n/a	To be agreed by Delegated decision on 10 January 2017
Digital TV Ariel maintenance charge	Per Week	N	0.10	0.10	0.10	0.10	0.00%	Fixed cost
Commercial Rents	Annual charge per letting	N	Variable charge	Variable charge	Variable charge	Variable charge	0.00%	Contractual arrangements exist per leases
Rechargeable repairs	Actual cost	N	Variable charge	Variable charge	Variable charge	Variable charge	0.00%	Charges are repair costs recharged where applicable
Leaseholder service charges	Actual annual cost	N	Variable charge	Variable charge	Variable charge	Variable charge	0.00%	Actual costs recovered
Leaseholder major works	Actual cost	N	Variable charge	Variable charge	Variable charge	Variable charge	0.00%	Actual costs recovered
Leasehold & Shared Ownership Retrospective Consent to Alterations	Per Enquiry	N	80.00	80.00	80.00	80.00	0.00%	For future review by Legal Services
Leasehold Solicitor's Enquiries (re-mortgage or resale) - response within 5 days	Per Enquiry	N	100.00	100.00	100.00	100.00	0.00%	For future review by Legal Services
Leasehold Solicitor's Enquiries (re-mortgage or resale) - response within 10 days	Per Enquiry	N	75.00	75.00	75.00	75.00	0.00%	For future review by Legal Services

Activity/Item	Basis	VAT	2017/18	2017/18	2016/17	2016/17	Change	Reason divergent from Income Policy (CPI @ 0.5%)
Leasehold Subletting Fee	Per Sublet	N	10.00	10.00	10.00	10.00	0.00%	This fee is set within the lease and therefore cannot be changed
Leasehold Extension/ Shared Ownership Leasehold Extension - Admin Fee	Per Application	N	100.00	100.00	100.00	100.00	0.00%	No change - further review planned 2017/18
Leasehold Extension/ Shared Ownership Leasehold Extension - Valuation Fee	Per Application	N	500.00	500.00	500.00	500.00	0.00%	For future review by Legal Services
Shared Ownership Enquiries (re-mortgage only) - response within 5 days	Per Enquiry	N	100.00	100.00	100.00	100.00	0.00%	For future review by Legal Services
Shared Ownership Enquiries (re-mortgage only) - response within 10 days	Per Enquiry	N	75.00	75.00	75.00	75.00	0.00%	For future review by Legal Services
Shared Ownership Assignment Fees	Per Assignment	N	100.00	100.00	100.00	100.00	0.00%	No change - further review planned 2017/18
Shared Ownership Staircasing Valuation	Per Valuation (variable depending on lease £5-£30)	N	5.00	5.00	5.00	5.00	0.00%	Specific charges contained within the lease
Notice of Transfer	Per Notice	N	40.00	40.00	40.00	40.00	0.00%	No change - further review planned 2017/18
Notice of Charge / Mortgage	Per Notice	N	40.00	40.00	40.00	40.00	0.00%	No change - further review planned 2017/18

Activity/Item	Basis	VAT	2017/18	2017/18	2016/17	2016/17	Change	Reason divergent from Income Policy (CPI @ 0.5%)
Letter/Deed of Postponement	Per Notice	N	40.00	40.00	40.00	40.00	0.00%	No change - further review planned 2017/18
Deed of Variation/Rectification	Per Notice	N	265.00	265.00	265.00	265.00	0.00%	No change - further review planned 2017/18
TV licence charges for Sheltered Housing Schemes	Annual charge	N	7.50	7.50	7.50	7.50	0.00%	TV License cost frozen until 2020
Key charges - Assa, Yale/Communal, Union, Fobs	Per Key	N	12.00	12.00	10.00	10.00	20.00%	Actual costs recovered, plus a small admin fee. Reviewed in 16/17. Fobs now shown on a separate line
Key charges - Tbar, Triangle	Per Key	N	5.50	5.50	5.00	5.00	10.00%	Actual costs recovered, plus a small admin fee. Reviewed in 16/17
Key charges - RUKO	Per Key	N	22.00	22.00	20.00	20.00	10.00%	Actual costs recovered, plus a small admin fee. Reviewed in 16/17
Key charges - Fobs	Per Key	N	15.00	15.00	10.00	10.00	50.00%	Actual costs recovered, plus charge for programming (either by supplier, or a caretaker) Reviewed in 16/17

LEADER'S EXECUTIVE SCHEME OF DELEGATION**Responsibility for Leader and Cabinet Functions**Remit

1. The Leader has established a Cabinet to include seven other Members of the Council, including a Deputy Leader. The Leader has allocated a portfolio of executive and leadership responsibilities for each of these Cabinet Members, whose terms of reference are described in the following pages.
2. The Leader and Cabinet are responsible for all of those functions of the Authority that are not expressly reserved to other parts of the Council under these constitutional arrangements. These are known as executive functions.
3. The Leader may discharge any of the functions that are the responsibility of the Leader and Cabinet him or herself or may arrange for the discharge of those functions by the Cabinet as a whole, by another member of the Cabinet, by a committee of the Cabinet or by an officer of the authority. These arrangements are described below.
4. More information is set out in Article 7 of the Council's Constitution

Limitations

5. Those functions that may not be executive functions and do not fall under the responsibility of the Leader or Cabinet, in whole or in some other specified way, are listed in Part 3 of the Council's Constitution.
6. In discharging responsibility for the executive functions of the authority, the decision maker must be aware of the limitations placed upon them. These limitations are that any decision in exercise of an executive function is to comply with:
 - (a) the Budget set by full Council;
 - (b) the Policy Framework set by full Council;
 - (c) the Authority's
 - Access to Information Procedure Rules (including key decision and call-in provisions);
 - Executive Procedure Rules;
 - Budget and Policy Framework Procedure Rules;

- (d) an expectation that the Authority's
- Financial Regulations;
 - Contract Procedure Rules; and
 - other applicable Articles, procedure rules or standing orders as set out elsewhere in the Council's Constitution;
- will have been complied with in all but the most exceptional circumstances (and if not then explained fully in the minuted reasons for the decision); and
- (e) any legislative requirements and all applicable rules of law.

Arrangements for Discharge of Functions

7. The following sets out how the Leader has decided to arrange for the discharge of executive functions. The Leader may amend these arrangements, but will [normally] only do so after first informing a public meeting of the Cabinet.
8. Key Decisions (defined at Article 14 of the Council's Constitution) may be taken by a relevant Cabinet Committee, by the Cabinet Member under whose portfolio the function falls or by the Chief Executive, Corporate Director, Service Director or Assistant Director under whose managerial responsibility the executive function falls.
9. Where a Cabinet Committee has been established, its terms and functions are described below.
10. Certain procurement and financial decisions will, according to the value of the transaction concerned, be reserved to the Cabinet, Procurement and Commissioning or grade of officer as set out in the Annex to this Scheme.
11. Each Cabinet Member's portfolio of responsibility is described below. That portfolio sets out the range of executive functions for which the Cabinet Member may be called upon to make a key decision about or to lead the debate when related matters come before a meeting of the Cabinet.
12. Under each portfolio, certain decisions that would otherwise fall within the scope of each Cabinet Member's portfolio will be reserved for consideration and decision by a meeting of the Cabinet or Cabinet Committee.
13. Under each portfolio, certain decisions that would otherwise fall within the scope of the managerial responsibility of the Corporate Director, Service Director or Assistant Director concerned may be reserved for consideration and decision of the Cabinet Member under whose portfolio the function falls.
14. Regardless of any other delegation or rule within these arrangements, the Chief Executive may take any key decision which he or she considers necessary on the grounds of urgency, efficiency, or cost.

15. All other matters that do not constitute a key decision are delegated to the Chief Executive, Corporate Director Service Director, or Assistant Director under whose managerial responsibility the executive function falls.
16. Even where the Chief Executive, Corporate Director, Service Director or Assistant Director hold delegated authority, they must consult the relevant Cabinet Member where the circumstances are particularly sensitive or if the decision in question involves changes to policy or strategy and, following consultation, they will normally report the matter to the Cabinet where the Cabinet Member indicates a preference for this.
17. The Chief Executive, Corporate Director, Service Director or Assistant Director may delegate any of their responsibilities or powers in exercise of executive functions to any other officer to whom they consider it appropriate to discharge those functions.
18. There are additional executive and non-executive functions allocated to specific statutory and non-statutory officers as set out in the Constitution.
19. The management structure of the Authority is set out in Part 7 of the Constitution.

LEADER

COUNCILLOR PETER MARLAND

Portfolio Terms of Reference

1. Council Plan
2. Communications
3. South East Midlands Local Enterprise Partnership (SEMLEP)
4. Devolution
5. Policy
6. External Relations
7. Smart Cities
8. MK Futures 2050
9. Economic Development
10. All other executive functions not otherwise listed within Cabinet portfolio terms of reference listed below
11. Any executive functions that fall to be discharged by the Leader and Cabinet that the Leader may wish from time to time to have reserved to him or herself or to be discharged in a different manner to the general delegation arrangements described below.

Matters reserved within this portfolio to the Cabinet:-

- (i) All relevant matters reserved for Cabinet level decision as detailed in Rules of Procedure.
- (ii) Policy developments of strategic significance relating to a portfolio's Terms of Reference.
- (iii) Such other matters as the Leader may from time to time reserve to Cabinet for decision

Matters reserved within this portfolio to the Cabinet Member:-

- (i) All relevant matters reserved for Member level decision as detailed in Rules of Procedure.
- (ii) Such other matters as the Leader may from time to time reserve to him or herself for decision.
- (iii) Decisions to accept, reject, or modify expressions of interest submitted under the Council's Community Right to Challenge Policy.

DEPUTY LEADER

CABINET PORTFOLIO: HEALTHIER AND STRONGER COMMUNITIES

COUNCILLOR HANNAH O'NEILL

Portfolio Terms of Reference

1. Health Improvement
2. Public Health
3. Mental Health
4. Community Safety
5. Community Cohesion
6. Hate Crime
7. Equalities
8. Voluntary Sector
9. Regeneration (Strategic - Community Lead)

Matters reserved within this portfolio to the Cabinet:-

- (i) All relevant matters reserved for Cabinet level decision as detailed in Rules of Procedure.
- (ii) Policy developments of strategic significance relating to the portfolio's Terms of Reference.
- (iii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision

Matters reserved within this portfolio to the Cabinet Member:-

- (i) All relevant matters reserved for Member level decision as detailed in Rules of Procedure.
- (ii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.
- (iii) Decisions to accept, reject, or modify expressions of interest submitted under the Council's Community Right to Challenge Policy.

CABINET PORTFOLIO: RESOURCES AND INNOVATION

COUNCILLOR ROBERT MIDDLETON

Portfolio Terms of Reference

1. Finance and Budget
2. Council Tax and Benefits
3. Performance
4. Corporate Service Innovation
5. Commercialism
6. Capital and Infrastructure
7. Procurement
8. Property and Facilities
9. Human Resources
10. Milton Keynes Development Partnership
11. Local Government Shared Services (LGSS)

Matters reserved within this portfolio to the Cabinet:-

- (i) All relevant matters reserved for Cabinet level decision as detailed in Rules of Procedure.
- (ii) Policy developments of strategic significance relating to the portfolio's Terms of Reference.
- (iii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.

Matters reserved within this portfolio to the Cabinet Member:-

- (i) All relevant matters reserved for Member level decision as detailed in Rules of Procedure.
- (ii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.
- (iii) Decisions to accept, reject, or modify expressions of interest submitted under the Council's Community Right to Challenge Policy.

CABINET PORTFOLIO: PLACE

COUNCILLOR LIZ GIFFORD

Portfolio Terms of Reference

1. Strategic Planning
2. Business Growth
3. Transport
4. Culture
5. Libraries, Leisure and Community Assets
6. Skills
7. Parish Partnerships
8. Events

Matters reserved within this portfolio to the Cabinet:-

- (i) All relevant matters reserved for Cabinet level decision as detailed in Rules of Procedure.
- (ii) Policy developments of strategic significance relating to the portfolio's Terms of Reference.
- (iv) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.

Matters reserved within this portfolio to the Cabinet Member:-

- (ii) All relevant matters reserved for Member level decision as detailed in Rules of Procedure.
- (ii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.
- (iii) Decisions to accept, reject, or modify expressions of interest submitted under the Council's Community Right to Challenge Policy.

CABINET PORTFOLIO: PUBLIC REALM

COUNCILLOR MARTIN GOWANS

Portfolio Terms of Reference

1. Waste and Recycling
2. Highway Maintenance
3. Streetscene (lighting, cleansing and signage)
4. Landscaping
5. Energy and Sustainability

Matters reserved within this portfolio to the Cabinet:-

- (i) All relevant matters reserved for Cabinet level decision as detailed in Rules of Procedure.
- (ii) Policy developments of strategic significance relating to the portfolio's Terms of Reference.
- (iii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision

Matters reserved within this portfolio to the Cabinet Member:-

- (i) All relevant matters reserved for Member level decision as detailed in Rules of Procedure.
- (ii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.
- (iii) Decisions to accept, reject, or modify expressions of interest submitted under the Council's Community Right to Challenge Policy.

CABINET PORTFOLIO: CUSTOMER SERVICES

COUNCILLOR MICK LEGG

Portfolio Terms of Reference

1. Development Control Services
2. Licensing Policy
3. Regulatory Services
4. Bereavement Services
5. Environmental Health
6. Customer Service Improvement

Matters reserved within this portfolio to the Cabinet:-

- (i) All relevant matters reserved for Cabinet level decision as detailed in Rules of Procedure.
- (ii) Policy developments of strategic significance relating to the portfolio's Terms of Reference.
- (v) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.

Matters reserved within this portfolio to the Cabinet Member:-

- (iii) All relevant matters reserved for Member level decision as detailed in Rules of Procedure.
- (ii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.
- (iii) Decisions to accept, reject, or modify expressions of interest submitted under the Council's Community Right to Challenge Policy.

CABINET PORTFOLIO: ADULT CARE AND HOUSING

COUNCILLOR NIGEL LONG

Portfolio Terms of Reference

1. Adult Social Care
2. Preventative Services
3. Commissioning
4. Safeguarding Adults
5. Supporting People
6. Service Innovation (Adult Health and Social Care)
7. Housing
8. Homelessness
9. Housing Revenue Account
10. Regeneration (Shared - Housing Lead)

Matters reserved within this portfolio to the Cabinet:-

- (i) All relevant matters reserved for Cabinet level decision as detailed in Rules of Procedure.
- (ii) Policy developments of strategic significance relating to the portfolio's Terms of Reference.
- (iii) To consider proposals for establishing, closing or a school.
- (iv) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision

Matters reserved within this portfolio to the Cabinet Member:-

- (i) All relevant matters reserved for Member level decision as detailed in Rules of Procedure.
- (ii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.
- (iii) Decisions to accept, reject, or modify expressions of interest submitted under the Council's Community Right to Challenge Policy.

CABINET PORTFOLIO: CHILDREN AND FAMILIES

COUNCILLOR ZOE NOLAN

Portfolio Terms of Reference

1. Safeguarding
2. Children's Social Care
3. Corporate Parenting
4. Fostering and Adoption
5. Schools and Partnerships
6. Youth Services
7. Children's Centres
8. Service Innovation (Children and Young People Services)

Matters reserved within this portfolio to the Cabinet:-

- (i) All relevant matters reserved for Cabinet level decision as detailed in Rules of Procedure.
- (ii) Policy developments of strategic significance relating to the portfolio's Terms of Reference.
- (iii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision

Matters reserved within this portfolio to the Cabinet Member:-

- (i) All relevant matters reserved for Member level decision as detailed in Rules of Procedure.
- (ii) Such other matters as the Leader directs or the Cabinet may from time to time reserve to itself for decision.
- (iii) Decisions to accept, reject, or modify expressions of interest submitted under the Council's Community Right to Challenge Policy.

PROCUREMENT AND COMMISSIONING

TERMS OF REFERENCE

1 Terms of Reference

To exercise the functions of the Cabinet in respect of all Procurement and Commissioning decisions not otherwise delegated or reserved to the Cabinet.

2 Membership

- (a) **Membership:** Procurement and Commissioning will consist of a minimum of three members of the Cabinet. There is no power to co-opt.
- (b) **Chair:** The Leader or Deputy Leader, will take the role of Chair and Vice-Chair of the Committee, in the absence of the Leader or Deputy Leader, the Committee will be chaired by the Cabinet member responsible for Resources and Innovation.
- (c) **Quorum:** Except where decisions are to be made by the Leader as advised by the Committee, business shall not be transacted at a meeting of the Committee unless at least three members of the Cabinet are present.

3 Functions

Procurement and Commissioning will exercise the following functions and those matters which flow from them, which are executive functions.

- (a) To undertake initial consideration of large procurement related projects, defined as non-property related projects between the value of £100,000 and £20,000,000, including the consideration of initiation documents, full business cases and specification and the consideration of procurement projects where there is a TUPE transfer by the Council.
- (b) To authorise officers to issue specification and invitations to tender and, where within budget, to make an award of contract to the tenderer assessed as providing the highest score against the agreed MEAT (most economically advantageous tender) criteria in respect of large procurement projects
- (c) To oversee and monitor procurement, commissioning and contract activity, including:
 - on a quarterly basis:
 - (i) reviewing the S151 Officers decisions to waive Contract Procedure Rules;
 - (ii) review of tenders and award of contracts on behalf of Cabinet in accordance with the Scheme of Delegation;

when required:

- (iii) approval of contract variations, extensions and novations;
 - (iv) benefit realisation (post implementation) reviews;
 - (v) contract performance management; and
 - (vi) the commissioning cycle.
- (d) To review, approve or make recommendations to Cabinet concerning the Procurement Strategic Plan and the Procurement Forward Plan;
- (e) To review the Contract Procedure Rules from time to time and make recommendations for change to Council; and
- (f) To advise the Cabinet on all matters concerned with procurement generally and to make recommendations on any of the above matters to (as appropriate) the Cabinet or Council.

In acting under the Committee's Terms of Reference and in exercising responsibility for those functions listed above, the Authority's Procedure Rules, any limitations on authority and all legislative requirements and applicable rules of law must be complied with.

Procurement and Financial Scheme of Delegation

These delegations should be read in conjunction with Council's Contract Procedure Rules and the Council's procurement guidance as appropriate, along with the linked Financial Procedure Rule (FPR).

Note that the Chief Financial Officer may delegate authority from time to time as he sees fit.

	Function	FPR	Cabinet/ Cabinet member	Procurement and Commissioning	Chief Executive	Corporate Director	Service Director/ Assistant Director	Head of Service	Budget Manager
1.	Virements	5	All non-technical virements	N/A	N/A	Technical virements – Chief Financial Officer	None	None	None
2.	Raising customer invoices (excluding grants) and credit notes.	10	N/A	N/A	Unlimited (Chief Financial Officer to deputise)	Unlimited	Up to £100,000	Up to £50,000	Up to £10,000
3.	Recommend write-off of debts to Chief Financial Officer	11	N/A	N/A	Unlimited	Up to £500,000	Up to £100,000	Up to £50,000	Up to £10,000
4.	Write-off authority	11	Any amount over £20,000	N/A	N/A	Any amount up to £20,000 approved by Chief Financial Officer			

	Function	FPR	Cabinet/ Cabinet member	Procurement and Commissioning	Chief Executive	Corporate Director	Service Director/ Assistant Director	Head of Service	Budget Manager
5.	Write-off due to insolvency/court order	11	Any amount over £20,000 reported	N/A	N/A	All – Chief Financial Officer			
6	To agree grants and benefits to external bodies and other non-procurement commitments	14	If proposed expenditure will cause pressure in future years.	N/A	Up to £100,000	Up to £100,000	Up to £100,000	Up to £50,000	Up to £10,000
7.	Signing grant agreements for grants and benefits paid by the Council to external bodies	14	N/A	N/A	N/A	Above £20,000 Must be recorded in the grants payable register	Up to £20,000	None	None
8.	Authorisation of official orders for grants and benefits to external bodies	14	N/A	N/A	Unlimited (Chief Financial Officer to deputise)	Up to £1m	Up to £500,000	Up to £50,000	Up to £10,000
9.	Applying for new external funding (including European bids). (All are subject to Chief Financial Officer certification)	15	N/A	N/A	N/A	Unlimited	Up to £100,000	None	None

	Function	FPR	Cabinet/ Cabinet member	Procurement and Commissioning	Chief Executive	Corporate Director	Service Director/ Assistant Director	Head of Service	Budget Manager
10.	Sign off of grant claims (Government Departments, EU)	15	N/A	N/A	N/A	Chief Financial Officer	N/A	N/A	N/A
11.	Assets and stocks – maintain register of assets over £10,000	16-20	N/A	N/A	N/A	N/A	Yes	Yes	N/A
12.	To agree specification, invite tenders and approve delegated authority to award contract for supplies and services	21	Over £20m	£100,000 to £20m	Up to £100,000	Up to £100,000	Up to £100,000	Up to £50,000	Up to £10,000
13.	Award of contract	21	Over £20m	£100,000 to £20m	As above, subject to the award being made to the tenderer who has submitted the most economically advantageous bid (the highest score against the valuation criteria) and the resulting contract being within budget.				
14.	Termination of contract	21	Over £20m	£100,000 to £20m	Up to £100,000	Up to £100,000	Up to £100,000	None	None
15.	Authorisation of official orders for procurement (This follows formal approval through appropriate decision making as above)	21	N/A	N/A	Unlimited (Chief Financial Officer to deputise)	Up to £1m	Up to £500,000	Up to £50,000	Up to £10,000
16.	Petty cash limit for a single item	22	N/A	N/A	Unlimited	Up to £250	Up to £100	Up to £50	Up to £25

	Function	FPR	Cabinet/ Cabinet member	Procurement and Commissioning	Chief Executive	Corporate Director	Service Director/ Assistant Director	Head of Service	Budget Manager
17.	To agree any other form of financial commitment not covered above		If proposed expenditure will cause pressure in future years.	N/A	Up to £100,000	Up to £100,000	Up to £100,000	Up to £50,000	Up to £10,000

Date	Councillor	Ward	Party	Details of Scheme	Amount £
05/10/16	Alexander, Paul	Newport Pagnell South	Liberal Democrat	Disc Makers Ltd - Assist towards IT training for Coderdojo - voluntary organisation in NP supporting young people.	240
13/12/16	Bradburn, Marie	Bradwell	Liberal Democrat	St Lawrence Church (Bradwell) - Contribution towards the church's re-decoration fund.	200
13/12/16	Bradburn, Marie	Bradwell	Liberal Democrat	Radcote Lodge Sheltered Housing Scheme (Two Mile Ash) - Donation to Radcote Lodge Sheltered Housing Scheme Social Fund for the arranging of an event of the residents choosing.	200
13/12/16	Bradburn, Marie	Bradwell	Liberal Democrat	Bellfounder House Sheltered Housing Scheme (Bradwell) - Donation to Bellfounder House Sheltered Housing Scheme Social Fund for the arranging of an event of the residents choosing.	200
13/12/16	Bradburn, Marie	Bradwell	Liberal Democrat	Flintergill Court Sheltered Housing Scheme (Heelands) - Donation to Flintergill Court Sheltered Housing Scheme Social Fund for the arranging of an event of the residents choosing.	200
20/09/16	Brunning, Denise	Stony Stratford	Conservative	Fullers Slade Residents Association - FRSA - Self Defence and Fitness Training Event.	300
16/11/16	Brunning, Denise	Stony Stratford	Conservative	Stony Stratford Town Council - Combat Academy Lessons.	175
16/11/16	Brunning, Denise	Stony Stratford	Conservative	Stony Stratford Town Council - The Mayor, Cllr Steve Coventry, opened the new Mural which has been painted by Zoe Maslen on the corner of Horsefair Green and London Road, at 10am on 24th October. This project was supported by Stony Stratford Town Council.	200
05/07/16	Buckley, Andrew	Monkston	Conservative	Worktree - Provide careers advice in schools.	1,000
28/10/16	Coventry, Stephen	Woughton & Fishermead	Labour	Christ The Vine Church - Contribution to the church roof fund (church have been fund raising for two years).	500
24/10/16	Coventry, Stephen	Woughton & Fishermead	Labour	The Redway School - To help in setting up a sensory room in the new post-16 building.	500
04/08/16	Eastman, Derek	Newport Pagnell South	Liberal Democrat	Great Linford Parish Council - Summer of Fun 2016 - Community Taster Sessions.	100
19/09/16	Eastman, Derek	Newport Pagnell South	Liberal Democrat	Worktree - Career Workout to develop young people's career awareness and aspirations.	100
14/09/16	Eastman, Derek	Newport Pagnell South	Liberal Democrat	Mary Drake School of Irish Dancing - Feis:MK Irish Dancing Competition England/Ireland/Scotland open to community spectators.	50
26/10/16	Eastman, Derek	Newport Pagnell South	Liberal Democrat	MK Snap - To fund water bottles for walkers and cost of printing route instructions for walking event featuring 4 walks starting and ending in Newport Pagnell.	75
11/08/16	Exon, Robert	Bradwell	Liberal Democrat	Great Linford Scout Group - Contribution to coach hire for 40 scouts to go to Jamboree.	200
11/08/16	Exon, Robert	Bradwell	Liberal Democrat	Sieve MK Gateway - To support 5 students to prepare for their first year at boarding school.	200
11/08/16	Exon, Robert	Bradwell	Liberal Democrat	Heelands Rangers Football Club - Provide new equipment.	200
11/08/16	Exon, Robert	Bradwell	Liberal Democrat	Two Mile Ash Guides - Pay for sleepover for 40 girls at Heron Lodge, Loughton.	200
15/08/16	Exon, Robert	Bradwell	Liberal Democrat	First Bradwell Village Brownies - Assisting all Brownies and Guides to go to Summer Camp.	200
07/07/16	Geaney, Maggie	Bletchley West	Conservative	Coldharbour School - Playground equipment.	750

WARD BASED BUDGETS

01/12/16	Gifford, Liz	Stony Stratford	Labour	Stony Stratford Town Council - The Mayor, Cllr Steve Coventry, opened the new Mural which has been painted by Zoe Maslen on the corner of Horsefair Green and London Road, at 10am on 24th October. Contribution towards cost of materials and the artist's time.	500
01/06/16	Gowans, Martin	Bletchley East	Labour	Newton Leys Residents Association - to help cover website costs.	80
28/10/16	Hopkins, David	Danesborough & Walton	Conservative	Mad About Harry Charity - Towards fund raising for Harry Banks for treatment for neuroblastoma - probable eventuality of costly treatment path abroad. Should the money not be required for Harry, it will be donated to Neuroblastoma research.	150
07/11/16	Hopkins, David	Danesborough & Walton	Conservative	Little Brickhill Residents Association - Little Brickhill Residents Association Senior Citizens' Christmas Lunch - Christmas meal for 30-40 senior citizens from the community.	150
07/07/16	Hopkins, Victoria	Danesborough	Conservative	1st Bow Brickhill Brownies - Support to local Brownies Group.	200
10/08/16	Hopkins, Victoria	Danesborough	Conservative	MK Snap - Special Needs Project.	200
16/11/16	Hopkins, Victoria	Danesborough & Walton	Conservative	Little Brickhill Residents Association - The Jenny Wheaton Children's Party. Christmas party for children from the village and beyond with games and snacks and a visit from Santa.	100
09/07/16	Khan, Mohammed	Bletchley East	Labour	Milton Keynes Bangladeshi Association - Eid Festival on 17/07/16 at Sycamore Hall, Drayton Road, Bletchley.	250
04/08/16	Khan, Mohammed	Bletchley East	Labour	Fenny Stratford Multicultural Residents Association - Fenny Stratford Multicultural Residents Association day trip	300
17/08/16	McCall, Douglas	Newport Pagnell South	Liberal Democrat	Great Linford Parish Council - Summer of Fun 2016 - Community Taster Sessions.	100
17/11/16	McCall, Douglas	Newport Pagnell South	Liberal Democrat	Newport Pagnell Boys Brigade - To purchase sports equipment for Newport Pagnell Boys Brigade.	100
17/11/16	McCall, Douglas	Newport Pagnell South	Liberal Democrat	Newport Pagnell Town Football Club - To facilitate the provision of a Defibrillator for Newport Pagnell Town Football Club.	400
15/11/16	McCall, Isobel	Campbell Park & Old Woughton	Liberal Democrat	Works For Us - To support job hunters through information, advice, guidance, CV assistance, interview skills. Services include outreach services across the borough.	500
07/10/16	McKenzie, Gladstone	Bletchley Park	Labour	West Bletchley Community Association - Towards replacement of fire-proof curtains in West Bletchley Community Centre.	1000
14/09/16	Middleton, Rob	Wolverton	Labour	Wolverton & Greenleys Town Council - Planting and maintenance of war memorial in Wolverton.	1000
25/11/16	O'Neill, Hannah	Woughton & Fishermead	Labour	Hedgerows Family (Childrens) Centre - To enable health visitors to purchase appropriate equipment to offer baby massage and infant resuscitation sessions.	437
22/08/16	Small, Gerald	Tattenhoe	Conservative	Marshall Milton Keynes Athletic Club - New sports equipment for 5-8 year olds.	1000
04/08/16	Wales, Elaine	Bletchley Park	Labour	Fenny Stratford Multicultural Residents Association - Fenny Stratford Multicultural Residents Association day trip.	500
07/07/16	Walker, Alexander	Stantonbury	Conservative	Hanover Court Resident's Association - Refresh communal area at Hanover Court.	500
22/08/16	Walker, Alexander	Stantonbury	Conservative	Great Linford Football Club - Towards purchase of new goals and adjustment of existing pitch.	500

WARD BASED BUDGETS

04/08/16	Wallis, Pauline	Central Milton Keynes	Labour	Surestart - Conniburrow - To replace and replenish items in the garden space.	250
04/08/16	Wallis, Pauline	Central Milton Keynes	Labour	Dexter House - Oldbrook - Sheltered housing - trip for residents.	250
15/08/16	Webb, Alan	Bletchley East	Labour	The Crosslinks Centre - Annual fireworks and entertainment event - Lakes Estate.	250
28/10/16	Webb, Alan	Bletchley East	Labour	The Warren Centre & Youth Group - Donation for refreshments for AGM at Warren Centre on 17/10/16.	50
07/09/16	Williams, Chris	Shenley Brook End	Liberal Democrat	Putman House, Shenley Lodge - Towards fencing and coppicing to raise site security at Putman House.	180
12/12/16	Williams, Chris	Shenley Brook End	Liberal Democrat	RTM Landscapes Ltd - To repair and replace wooden fencing in Maudsley Close, Shenley Lodge, to prevent vehicles parking on/turning around on open public space.	798
05/10/16	Wilson, Charlie	Stony Stratford	Labour	Milton Keynes Pensioners Association - Printing costs for leaflet to advertise Milton Keynes Pensioner Association event.	100
Total					£15,635