

Minutes of the meeting of the CABINET held on WEDNESDAY 25 JULY 2012 at 7.00 pm

Present: Councillor A Geary (Chair)
Councillors Bald, Bint, Dransfield, P Geary and Hopkins

Officers: D Hill (Chief Executive), L Bull (Corporate Director Community Wellbeing), G Tolley (Corporate Director of Children and Families), G Snelson (Director of Strategy), M Bracey (Assistant Director [Children and Families: Learning Organisation and Improvement]), N Fenwick (Assistant Director [Planning, Economy and Development]), N Jones (Assistant Director [Financial Management]), I Ali (Acting Assistant Director [Law and Governance]), L Ellen (Head of Housing Management), B Matthews (Head of Transportation Services), D Webber (Senior Planning Officer) and S Heap (Democratic Services Manager)

Apology: Councillor Brock

Also Present Councillors Bradburn, Edwards, Marland, Miles, Webb and C Williams

Members of the Public: 43

C22 CABINET ANNOUNCEMENTS

Councillor Hopkins announced that the last hearing session of the Examination in Public into the Council's Core Strategy had been held today.

Councillor Hopkins reported that the Inspector would issue an interim report in early September if she found the Core Strategy to be unsound. However, if the Strategy was sound the Inspector would invite the Council to indicate if it would support her proposing any modifications. If this was the case the Inspector would produce, in consultation with the Council, a schedule of changes, and the Council would complete a Sustainability Appraisal. After that time a six week consultation would be held, which could result in further hearing sessions being held.

Councillor Hopkins also reported that the Inspector had praised the Council's Development Plans Team for their effort and professionalism

C23 MINUTES

RESOLVED -

That the Minutes of the meetings of the Cabinet held on 20 June 2012 and 4 July 2012, be approved and signed by the Chair as correct records.

C24 DISCLOSURES OF INTEREST

Councillor Hopkins disclosed a personal interest in Item 17 (The Neighbourhood Planning Decision Making Process), as a Member of two of the Parish Councils concerned.

Councillor P Geary disclosed a Disclosable Pecuniary Interest in Item 7(e) (Skate Parks and Facilities for Young People), as a Trustee of the Parks Trust.

C25 LOCALISATION OF COUNCIL TAX BENEFITS - REFERRAL FROM ECONOMY, GROWTH AND REGENERATION SELECT COMMITTEE: 3 JULY 2012

The Cabinet received and noted a referral from the Economy, Growth and Regeneration Select Committee held on 3 July 2012 in relation to the Localisation of Council Tax Benefits, specifically:

- “1. That the Cabinet agree a preferred approach on how to meet the £3.5m funding gap and that the public should be consulted on the Cabinet’s preferred option, together with a range of other options that meet the funding gap.
2. That the Localisation of Council Tax Benefit report, to be received by the Cabinet at its meeting on 17 October 2012, includes full details of the risks associated with the project.
3. That Cabinet give an assurance that implementation of any of the proposals would safeguard vulnerable groups.”

The Cabinet noted the potential pressures on the Council’s Budget which the Localisation of Council Tax Benefits would create and that there was currently an ongoing consultation on the options available to the Council.

It was also noted that, at its meeting in October, the Cabinet would consider a report, which would include the responses to the consultation before making a recommendation to the Council.

The Cabinet heard from four other Members of the Council as part of its consideration of the recommendation.

C26 SKATE PARKS AND FACILITIES FOR YOUNG PEOPLE - REFERRAL FROM COUNCIL: 11 JULY 2012

The Cabinet considered a referral from the Council meeting held on 11 July 2012 in relation to the Skate Parks and Facilities for Young People, specifically:

- “(e) calls on the Cabinet to ensure that sufficient resources, including funding, are provided to ensure that the review of planning and play policies, to ensure adequate separation of facilities from housing, can be carried out and proposals developed by 31 August 2012;

- (f) urges immediate talks with Places for People and Crest Nicholson, to include immediate and adjacent parish councils, about their plans in Brooklands and Oakgrove respectively; and
- (g) declares that, in the event of failure to provide adequate noise reduction, the Council has a duty to provide a replacement park at a more suitable location well away from residents but convenient for young people, and requests the Cabinet to conduct a review of alternative locations and funding options for a skate park, working with landowners as required, to report back no later than 3 months after the conclusion that problems remain and cannot be mitigated at the existing site.”

The Cabinet expressed its commitment to play provision, but recognised that it would not be possible to carry out a review by 31 August 2012, particularly if any review was to include consultation with interested parties.

With regard to Broughton Skate Park, Mr M Hurst asked Councillor A Geary, the Leader of the Council about how the noise issue was being managed and the legal basis for the Council’s action.

Councillor Geary undertook to meet with Mr Hurst to discuss the issues raised.

Mr Hurst also asked a supplementary question relating to the Council’s commitment to sports other than football, to which Councillor Geary emphasised the Council’s support for all grass root sports.

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

RESOLVED –

1. That a meeting be arranged for the Leader to meet with key stakeholders and officers to discuss the issue.
2. That officers be requested to take forward the recommendations from the Council and the matter be referred to the Overview and Scrutiny Management Committee for consideration as part of any review on play provision being undertaken.

(Councillor P Geary disclosed a Disclosable Pecuniary Interest in this Item and took no part in the discussion or voting).

C27

ADOPTION OF A MILTON KEYNES COUNCIL ENFORCEMENT POLICY

The Cabinet considered a draft enforcement policy, which would set out how the Council’s services responsible for ensuring compliance would conduct themselves and how other parties could expect to be treated as the Council discharged its key duties under the Policy.

It was noted that the Council was required to adopt an enforcement policy by law.

It was reported that as a result of consultation a number of suggested amendments had been included in the final draft version of the Policy.

The Cabinet also noted that the Licensing and Regulatory Committees had considered the draft Policy and recommended its adoption. The Development Control Committees had also and recommended its adoption, but in doing so suggested that the enforcement options available in respect of Development Control be detailed in the Policy. However, it was reported that officers were of the view that the draft Policy, as written, covered development control enforcement issues and therefore no changes were necessary.

The Cabinet heard from one member of the public during consideration of this item.

RESOLVED -

That the Council be recommended to adopt the Milton Keynes Council Enforcement Policy for all relevant Council regulatory functions.

C28

PROPOSED INTEGRATION OF RUSSELL STREET DAY NURSERY WITH THE ROWANS DAY NURSERY

The Cabinet considered the integration of the Russell Street Day Nursery with the Rowans Day Nursery to be based at The Rowans Children's Centre.

The Cabinet noted that in December 2010 it had been necessary for the Council to cease operation of the day nursery at Russell Street, Stony Stratford due to serious building condition issues. As a result the provision was temporarily relocated to The Rowans Children Centre where it has been accommodated alongside the existing Milton Keynes Council operated 48 place day nursery located within the children's centre.

The Cabinet recognised that the amalgamation would secure the current level of high quality childcare within the area as well as achieve greater economies of scale which would reduce the level of financial subsidy required from the Council.

The Cabinet heard from two members of the public on this item and received an update from the Russell Street Day Nursery Parents' Association on its search for an alternative location for the Day Nursery, together with a letter from Stony Stratford Town Council supporting the Parents' Association and requesting that the Council's Development Control Committee considers extending the period of ring-fencing for the sum arising from the Community Facilities Contribution contained within the S106 Agreement relating to the Planning Application for the former BMG Motors Site, London Road, Stony Stratford, for a further period of 12 months.

The Cabinet also heard from three other Members of the Council during its consideration of this matter.

The Cabinet also considered the following alternative options:

- (a) the closure of both the Russell Street and the Rowans day nurseries, however, it was discounted as the option would have an adverse impact on the availability of childcare in the local area and would make the Council potentially liable to make a capital repayment to the Department of Education;
- (b) the Council could continue to operate the day nurseries as separate organisations within the same building, but as this would require an ongoing financial subsidy it was not considered efficient and did not provide best value for money; and
- (c) the Council could replace, or refurbish the building at Russell Street, although it was recognised that the cost would be prohibitive and the potential economics of scale that can be achieved through the operation of a single day nursery servicing the area would not be realised.

RESOLVED -

1. That the integration of day nursery provision at The Rowans and Russell Street Day Nurseries within The Rowans Children's Centre building from September 2012, be agreed.
2. That, in light of the positive ongoing negotiations with Russell Street Day Nursery Parents Association, the Development Control Committee be requested to consider extending the period of ring-fencing for the sum of £50,000, arising from the Community Facilities Contribution of £150,000 contained within the S106 Agreement relating to Planning Application 04/00655/FUL (former BMG Motors Site, London Road, Stony Stratford), for a further period of 12 months, until September 2013, and if it has not been possible to reach a conclusion after that time, the Development Control Committee be requested to consider a further extension.

C29

HOUSING MANAGEMENT - CLOSURE OF HOUSING OFFICES

Further to Minute C10 of its meeting held on 20 June 2012, the Cabinet considered the systems and methods of working that would be put in place for handling customer enquiries following the closure of the housing offices at West Bletchley, Netherfield and the Lakes Estate.

It was noted that systems and methods of working had been trialled and tested over the previous 17 months and had been subject to consultation with tenants, a satisfaction survey and 'mystery shopper' testing to ensure their adequacy.

The Cabinet heard from three other Members of the Council as part of its consideration of the item.

RESOLVED -

That the adequacy of the systems in place for handling customer enquiries within the housing management service be noted.

C30

GRID ROAD LIGHTING

The Cabinet, as a result of observations by the Coroner following a recent inquest, considered revised criteria for Grid Road lighting to address the potential problem of alternating short sections of grid road that are 'lit' and 'unlit' with a view to minimising any risk to night time users of the grid roads

The Cabinet noted previous decisions which currently resulted in 2700 grid road street lights being switched off and the remaining 3300 being upgraded to enable energy savings to be achieved through "dimming and trimming".

The Cabinet recognised that the revenue cost of switching back on the bulk of the grid road street lights would be limited to £97,000 in the current financial year and £85,000 in subsequent years, when other energy reduction measures were adopted.

The Cabinet received a letter from Superintendent Halliday of Thames Valley Police commending the review.

The Cabinet also considered the following alternative options:

- (a) leaving the 2700 grid road lights unlit, although it was recognised that this would not contribute to improving the current accident record;
- (b) introducing a pedestrian and cycle ban with the 2700 grid road lights unlit, which it was recognised would potentially improve road safety, but would be difficult to enforce;
- (c) reducing grid roads speed limits and with the 2700 grid road lights left unlit, which it was considered would also be difficult to enforce; and
- (d) reducing the unlit period to Midnight to 06:00 hours, which would reduce the energy used to light the grid roads, but would not contribute to reducing the risks of accidents during the unlit period.

The Cabinet heard from two members of the public and three Members of the Council during consideration of this item.

RESOLVED -

1. That the revised criterion for the switching off of grid road lights, be approved.
2. That, as a result of the new criteria, it be noted that only two sections of the current grid road system will have the street lighting not illuminated.

3. That the letter, dated 17 June 2012, from Superintendent Halliday of Thames Valley Police commending the review, be noted.
4. That the illumination of the grid roads on those sections of the network that do not meet the new criteria be approved and that this be completed by the end of September 2012.
5. That the Capital Programme 2012/13 budget of £865,000 for street lighting to enable the subsequent dimming and trimming of the columns which have been switched back on, be approved.
6. That the Corporate Director (Resources) be invited to identify compensatory savings to offset the in-year financial pressure of £97,000.

C31

EAST WEST RAIL

The Cabinet received a progress report on the East West Rail project and considered appointing a Elected Member to the Joint Delivery Board.

RESOLVED -

1. That the progress with the East West Rail project, which will see delivery of the western section linking Milton Keynes with Aylesbury, Oxford, Reading and Bedford (including electrification), be welcomed.
2. That the appropriate Cabinet Member (or his / her appointed substitute) be appointed to represent Milton Keynes Council on the newly established Joint Delivery Board.
3. That full public consultation on the detailed proposals be undertaken as they emerge, with particular reference to those living close to the proposed route through Milton Keynes (Fenny Stratford, Bow Brickhill, Walton [Old Farm Park and Browns Wood], Wavendon and Woburn Sands parishes) and notes the concerns regarding road / rail pinch points at Brow Brickhill (Brickhill Street) and Woburn Sands (Station Road / Cranfield Road / Newport Road) and various much used public footpath and bridleway crossing points and consider the need for footbridge crossings.
4. That the project be highlighted within the forthcoming Local Investment Plan.

C32

TRANSPORT INFRASTRUCTURE INVESTMENT

The Cabinet considered a draft investment programme for highway infrastructure (roads, footways, redways, streetlights and bridges/structures), designed to make best use of the capital resource available.

The Cabinet recognised that the Milton Keynes' Highway Infrastructure had been constructed over a relatively short period of

time and as a result many of the various asset were reaching the end of their 'working life', which had resulted in a backlog of works, which would require significant capital additional investment if the backlog was not to increase.

It was noted that since 2011/12 £1m of revenue funding had been set aside each year to contribute towards financing the necessary investment through prudential borrowing and by 2014/15 the Council would have the financial resources to borrow approximately £50m to invest in the repair and replacement of highway infrastructure to start addressing the backlog. Also by targeting the investment it was likely to be able to significantly extend the life of the current highway assets and reduce maintenance costs.

The Cabinet noted that if it was not to invest in the transport infrastructure there would be a continued deterioration which would lead to longer term higher repair costs and potentially a failure of the Council's statutory duties. Alternatively, the Council could adopt a strategy of managed decline and ration resources to keep the strategic highway network open with minimal maintenance elsewhere.

The Cabinet heard from two Members of the Council during consideration of this item.

RESOLVED -

1. That, in principle, the allocation of up to £50m of additional investment in highway infrastructure over the next seven years, as part of a long term (to 2039) sustainable asset management approach to highway infrastructure, be approved.
2. That the resource allocation of £865,000 for the enhancement of grid road lighting, to be funded through prudential borrowing as part of the £50m additional investment in highway infrastructure, be approved.
3. That the spend for an initial phase of £5m be approved, to be made up of the following:
 - (a) £2.7m on footways and redways in 2012/13;
 - (b) £1.435m on footways and redways in 2013/14; and
 - (c) £0.865m on enhanced grid road lighting in 2012/13.

C33

OUTLINE BUSINESS CASE FOR HIGHWAYS AND TRANSPORTATION SERVICES

The Cabinet considered the Outline Business Case for Highways and Transportation which was designed to facilitate the modernisation of the Highways contracting arrangements.

The Cabinet noted that after considering various options and the use of an Industry Questionnaire and Open Day the preferred option was based on the majority of all Highway revenue and capital works,

which includes Street lighting, Bridges and Highways Maintenance being procured under a single contract with one provider, bringing together the current arrangements where works were currently provided by an in house delivery team and a variety of external contractors.

The Cabinet also considered a number of other options which included:

- (a) retention of the current arrangements;
- (b) Partnership with Term Contract including Consultancy top-up covering design and other technical services support; and
- (c) Strategic Partnership with Term Contract and full outsourcing of Consultancy.

It was noted that the Strategic Partnership with Term Contract and full outsourcing of Consultancy gave marginally greater financial savings, but exposed the Council to greater risk, with the possibility of loss of financial control.

It was also noted that the larger contracts required in the latter two alternative options would generally involved Consortia bids, or very large companies. The preferred option would help retain the small and medium sized companies within the mix of interested companies. Retention of the current arrangements would not provide the level of savings necessary for the potential increased level of Capital works and would not provide a step change to the current performance.

RESOLVED -

1. That the Outline Business Case for the future provision of Highways and Transport Services, be approved.
2. That the commencement of the tendering process for a Term Maintenance Contract for Highways and Street Lighting be approved, with the term to be determined by the Project Board, but to be of the order of seven years with extensions up to three years, giving a total contract length of no more than ten years.
3. That the use of the Midland Highways Alliance documents, wherever appropriate, for OJEU, PQQ and ITT stages, rather than the standard Milton Keynes ones, be approved subject to agreement by the appropriate officers that these are adequate to protect the Authority.
4. That the evaluation of the received tenders use a 50:50 price:quality ratio to give the Most Economically Advantageous Tender.
5. That such elements of the Highways depot as considered appropriate be made available for a peppercorn rent to the successful contractor under a full maintenance lease agreement, or similar, as determined by the Project Board.

6. That £0.3m be allocated from invest to save funds for the Procurement Project to back-fill where necessary and enable the use of external expertise, as required.
7. That, due to the tight timescales and the need for clear delegated authority, the Chief Executive, in consultation with the Cabinet Member for Highways and Transport, be authorised to take all necessary decisions during the procurement process up to, but not including, the decision to award the contract.

C34

ORGANISATIONAL TRANSFORMATION PROGRAMME PLAN

The Cabinet received the quarterly report on the Organisational Transformation Programme, which included a detailed progress report on the various projects which comprised each of the improvement strands.

It was noted that over the past year significant progress had been made, contributing to workforce reductions, improvements in productivity, service delivery and budget savings. Many of the projects in the original programme had been completed and others were moving towards 'business as usual'; but some required a different, or renewed focus and some new areas of focus had emerged.

It was reported that, following consultation with managers across the organisation, the Corporate Leadership Team had approved a revised Programme for the period ahead, including a new strand being initiated to reflect the wide range of changes affecting the Housing Service.

RESOLVED -

That the fourth quarterly update and the progress made by the Organisational Transformation Programme, April to July 2012, and the current areas of focus for the refreshed programme, be noted.

C35

NEIGHBOURHOOD PLANNING DECISION-MAKING PROCESS

The Cabinet considered the decision making processes for Neighbourhood Planning, including the designation of Neighbourhood Areas and the making of Neighbourhood Development Plans and Neighbourhood Development Orders.

The Cabinet also considered the first three Neighbourhood Area designation applications received by the Council for Central Milton Keynes, Woburn Sands Town Council and Wavendon Parish Council.

It was reported that discussions had now been satisfactorily concluded with Wavendon Parish Council regarding the extent of its Neighbourhood Plan, and it could be approved should the Cabinet wish.

The Cabinet heard from three Members of the Council during consideration of this item.

RESOLVED -

1. That the following applications be approved as neighbourhood areas, in accordance with Section 61G of the Town and Country Planning Act 1990:
 - (a) the neighbourhood area covering the Woburn Sands Town Council; and
 - (b) the neighbourhood area covering Wavendon Parish Council.
2. That the Central Milton Keynes neighbourhood area application be approved as a business neighbourhood area, in accordance with Section 61H of the Town and Country Planning Act 1990.
3. That the following decisions in the neighbourhood planning process, as defined in the Neighbourhood Planning (General) Regulations 2012, be delegated to the Cabinet Member responsible for Strategic Planning:
 - (a) whether to accept and designate a neighbourhood area;
 - (b) whether an application for a neighbourhood development plan or order is valid and should be accepted;
 - (c) whether to decline or accept a repeat proposal for a neighbourhood development plan or order;
 - (d) the appointment of an examiner for a neighbourhood development plan or order;
 - (e) whether to make a neighbourhood development plan or order following a referendum.
 - (f) actions to take in response to an examiner's report; and
 - (g) whether to modify neighbourhood development plans or orders.

(Councillor Hopkins disclosed a personal interest in this Item 17 and took no part in the discussion, or voting.)

C36

UPDATE ON WOLVERTON NEIGHBOURHOOD PLAN AND CONSIDERATION OF COMPULSORY PURCHASE OF THE AGORA SITE

The Cabinet received a petition relating to this matter.

RESOLVED -

That consideration of this matter be deferred to an Extraordinary Meeting of the Cabinet on 7 August 2012, to be held on conclusion of the Cabinet Procurement Committee.

C37

UNIVERSITY COLLEGE FOR MILTON KEYNES

The Council considered adopting the Milton Keynes Community Interim Ambition Statement for university level education and the Memorandum of Understanding of Milton Keynes civic interests and the providers of higher education locally.

It was noted that there had been a number of recent developments which had seen significant progress towards the Council's ambition to see a substantial, high quality university presence established in Milton Keynes, which included:

- (a) a partnership involving the Council and the University of Bedfordshire which would see the new University College Milton Keynes provide its first courses in September 2012;
- (b) a Faculty of Engineering and Technology opening in September 2013;
- (c) the development of a selective research and development capacity to integrate with the Council's city wide initiatives; and
- (d) a student headcount anticipated to be around 1,000 by September 2016.

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

RESOLVED -

1. That the Milton Keynes Community Interim Ambition Statement for university level education be agreed.
2. That the Memorandum of Understanding (MOU) of MK civic interests and the providers of higher education locally, be agreed.
3. That the University College Milton Keynes Ambition Statement including Key Milestones, be noted.

C38

MEDIUM TERM FINANCIAL PLAN

The Cabinet considered an updated the Medium Term Financial Plan for the financial period 2013/14 to 2016/17.

The Cabinet noted that the Medium Term Financial Plan included the General Fund Revenue Account, the Capital Programme and the Housing Revenue Account and set out the key financial management principles, budget assumptions and service issues. The Plan was then used as the framework for the detailed budget setting process to ensure that the Council's resources were

managed effectively in order to meet its statutory responsibilities and deliver the aspirations of the Council as set out in the Corporate Plan, over the medium term.

It was reported that the most significant issues in the Plan were the:

- (a) uncertainty surrounding future Government funding;
- (b) need for the Council to deduce its spending by £59 m over the life of the Plan; and
- (c) localisation of Council Tax Support;

The Cabinet recognised the key role of the Organisational Transformation Process and the associated redesign of services in meeting the budget reductions required.

RESOLVED -

1. That the financial forecast and the other issues in relation to both resources and expenditure which are reflected in the framework for the 2013/14 Budget and Medium Term Financial Plan, be noted.
2. That the key assumptions that underpin the financial forecasts for the next four years and the associated risks, be noted.
3. That the indicative savings requirement of £59m over the four year period 2013/14 to 2016/17, which requires the Council to drive forward its strategy to bridge the funding gap, be noted.
4. That the Corporate Leadership Team develop detailed recommendations to address the medium term funding gap.
5. That the financial principles, as a sound basis for the future financial management of this Council, be endorsed.

C39

REVENUE BUDGET CAPITAL PROGRAMME MONITORING AND WORKFORCE REPORT

The Cabinet considered the forecast outturn position for the General Fund; Housing Revenue Account and Dedicated Schools Grant, together with an update on Treasury Management activity and write-offs for the first three months of the financial year.

It was noted that:

- (a) the revenue forecast outturn General Fund was an underspend of (£0.306m);
- (b) there was a forecast underspend of (£0.018m) on the Dedicated Schools Grant;
- (c) there was a forecast underspend of (£0.572m) on the Housing Revenue Account;
- (d) there was a forecast underspend on the Capital Programme of (£6.984m) against the latest spend approval which was mainly due to a re-phasing of a number of schemes; and

- (e) the workforce had seen a reduction of 26,46 full time equivalents between 1 April and 1 June 2012.

The Cabinet also received the Project Management summary and noted that the Core Strategy, the Strategic Asset Programme and the Wolverton Station Project were highlighted as higher risk projects due to:

- (a) uncertainties around the Regional Spatial Strategy affecting the Core Strategy;
- (b) the condition of the transport infrastructure and its relationship to the Strategic Asset Programme; and
- (c) ongoing negotiations with the contractor over the costs of the Wolverton Station project.

RESOLVED -

1. That the forecast outturn positions reported by Service Groups and the overall forecast General Fund revenue position of an underspend of (£0.306m), be noted.
2. That the expenditure to date, projected outturn for the Capital Programme 2012/13 be noted.
3. That the Project Management position at the end of June 2012 be noted.
4. That the treasury activity during the first three months of the year be noted.
5. That the amounts written off during the first three months of the year be noted.
6. That the movement in the establishment reporting in year be noted.

C40

CAPITAL PROGRAMME REVISIONS AND SPEND APPROVALS

The Cabinet considered changes to the 2012/13 Capital Programme as a result of new schemes and amendments to current schemes.

It was noted that the changes outlined resulted in a revised Capital Programme for 2012/13 of £151.385m with Spend Approval of £80.3m.

RESOLVED -

1. That the additions to the resource allocation and spend approval for the Capital Programme 2012/13 be approved.
2. That the amended resource allocation and spend approvals for the Capital Programme 2012/13 be approved.
3. That the funding position for the Capital Programme 2012/13 be noted.

C41

**CABINET PROCUREMENT COMMITTEE - 6 JUNE 2012 AND
3 JULY 2012**

The Cabinet received the Minutes of the Procurement Committee held on 6 June 2012 and 3 July 2012, be noted.

THE CHAIR CLOSED THE MEETING AT 11:18 PM

DRAFT