

The Executive

Minutes of the meeting held on 22 December 2010

Present: Councillor Leese – in the Chair
Councillors Ali, Amesbury, Andrews, J Battle, Evans, S Murphy, S Newman, and Priest.

Also present as Members of the Standing Consultative Panel:
Councillors: Ankers, Ashley, R Battle, Donaldson, Hassan, Khan, Pearcey, Ramsbottom, Royle, Shannon, Smith and Wheale.

Exe/10/123 Minutes

Decision

To approve the minutes of the Executive meeting held on 24 November 2010 as a correct record.

Exe/10/124 Provisional Local Government Grant Settlement 2011/12

The provisional financial settlement consultation had been announced by the Government on 13 December 2010. That announcement provided local government with provisional funding allocations for the two years 2011/12 and 2012/13. The consultation on the settlement was to close on Monday 17 January 2011 with the final settlement expected to be confirmed in early February. A further two year settlement was expected for the remainder of the Comprehensive Spending Review period (2013/14 and 2014/15) after the outcome of the Government review of financing local government.

The nature and composition of the settlement had changed very significantly from previous years with changes to the different funding streams, amendments to the formula and the inclusion of damping arrangements and transition grants. The result was an extremely complex financial settlement and the full implications for the Council's budget were still being considered and analysed. However, when all of the changes to all government grants were taken into account the reduction in the support for the Council's budget over the settlement period was near to 25%.

One consequence of these deep cuts was that the 2011/12 business plans for Council services would have to be reworked and represented. Those revisions would mean that the plans were not ready to be considered by the Overview and Scrutiny Committees in January, and we agreed that the scrutiny of the plans would have to be deferred.

We expressed our concern at the harm the settlement was going to cause to the people and the city of Manchester, and the risk to the Council's services from such deep cuts in grant support. We also noted that some parts of the country had received a much more generous settlement from the Government.

Decisions

1. To note the contents of the report and authorise the City Treasurer, in consultation with the Executive Member for Finance and Human Resources, to respond to the consultation paper and take whatever steps are necessary to represent the City Council's interests.
2. To advise the Chairs of Overview and Scrutiny Committees that, in the light of the changes to Business Plans now necessary, these will be unavailable for scrutiny in early to mid January.

Exe/10/125 Annual Performance Assessment of Manchester Adult Services 2009/10

A report was submitted to present the Care Quality Commission (CQC) Annual Performance Assessment of Manchester Adult Services. The overall grade awarded for delivery of outcomes was that Manchester was 'Performing Well', and that same assessment was made for the seven specific outcomes assessed by the CQC. We congratulated the staff for maintaining the level of good performance over the past year.

Decision

To note the report.

Exe/10/126 Early Years Funding Formula

The revision of the Manchester's Early Years Single Funding Formula (EYSFF) had been deferred until the Government's intentions had been made clear. It had recently been confirmed by the Government that the new formula should be implemented in April 2011 and so the review of Manchester's formula was proceeding.

A report was submitted proposing a revised formula for April 2011 onwards. The report:

- explained the current arrangements for funding the free entitlement in each of the sectors;
- recapped on the proposed EYSFF which had been the subject of consultation during 2009;
- provided a review of the outcome of the impact assessment and consultation responses;
- recommend revisions to the proposed EYSFF to incorporate the findings of the review;
- recommend transitional protection arrangements for providers losing out under the proposed EYSFF;
- set out the outstanding issues to be resolved following implementation of the EYSFF in April 2011; and

- set out the planned next steps towards implementing a revised EYSFF on 1st April 2011.

The details of the proposed changes were explained in the report.

Decisions

1. To approve the implementation from the 1st April 2011 of the proposed Early Years Single Funding Formula.
2. To approve transitional protection arrangements for one year for maintained providers.
3. To approve an amendment to the Local Management of Schools funding formula to remove the current arrangements for nursery class funding in maintained primary schools and maintained nursery school funding and replace with the approved Early Years Single funding formula with effect from 1st April 2011.

Exe/10/127 LDF Core Strategy Publication Consultation (Councillor S Murphy in the Chair)

Preparation of the Local Development Framework (LDF) Core Strategy had commenced in 2005. Consultation on draft proposals had taken place over the years since then, and most recently in July 2010 we had considered and approved the draft 'Core Strategy Pre-Publication Partial Consultation' for public consultation in August 2010 (Minute Exe/10/77).

The purpose of the Core Strategy was:

- to set out the long-term spatial vision for the City (up to 2027), and the overall strategy for delivering that vision;
- to identify the overall level of different types of development (including housing, employment, retail, and leisure) that is envisaged in the City during that period, and the broad distribution of that development;
- to identify the main improvements in infrastructure that are required to support that scale and distribution of development;
- to define the City's hierarchy of centres;
- to illustrate the strategy through a Key Diagram; and
- to identify the links with, and support the delivery of, other key strategies and plans, including the Sustainable Community Strategy.

It was now proposed to carry out a statutory 6 week consultation on the Core Strategy (Publication). Following the consultation the final Core Strategy would be submitted to the Secretary of State, most likely in May 2011. A date would be set for an Examination in Public to consider representations. Following an Examination in Public the Secretary of State would decide if the Core Strategy was sound and could be adopted the Council.

Decision

1. To approve the draft Core Strategy (Publication) for public consultation in January / February 2011 followed by submission to the Secretary of State for examination in public.
2. To delegate to the Head of Planning in consultation with the Leader and the Executive Member for Environment, the approval of any amendments prior to the start of consultation and the approval for consultation of the Sustainability Appraisal report and Infrastructure Plan.

(Councillor Leese declared a prejudicial interest in this item of business and withdrew from the meeting).

Exe/10/128 Revenue Budget Monitoring

A report was submitted providing a summary of the position of the 2010/11 revenue budget at the end of October 2010. The report gave details of the projected variances to budgets, the position of the Housing Revenue Account, the current projections for the Area Based Grant available to the thematic partnerships, Council Tax collection, prudential borrowing indicators, and the use of reserves, including a request for the release of money from contingency funds. We supported the use of contingencies to meet the costs of the statutory review of polling districts and polling places (£18,000) and the enhanced electoral canvas (£35,000), both of which were corporate priorities.

Decisions

1. To note the report.
2. To approve the requests for Contingency funding set out in paragraph 10 of the report.

Exe/10/129 Capital Programme Proposed Increases

A report concerning requests to increase the capital programme was submitted. We agreed to recommend one change for approval by the Council and to make two changes under delegated powers. Taken together these changes will increase the capital budget by £225,000, financed by £49,000 government grant, £87,000 external contributions and £89,000 City Council resources.

Decisions

To recommend that the City Council approve:

1. New East Manchester - Miles Platting Substation: To increase the capital budget by £100,000 in 2011/12, funded by £11,000 external contribution and £89,000 City Council resources.

Under delegated powers, to approve the following:

2. Chief Executive's Regeneration – Northenden Pedestrian and Public Realm Improvements: To increase the capital budget by £76,000 (£11,000 in 2010/11 and £65,000 in 2011/12), funded by Section 106 contributions.
3. Neighbourhood Services – Varley Street/ Rochdale Canal Environmental Assessments: To increase the capital budget in 2010/11 by £49,000, funded by Contaminated Land Capital Grant Programme (CLCGP).

Exe/10/130 Stock Transfers for Residual Properties

A report was submitted concerning a portfolio of 171 properties that were spread across Manchester and in three locations outside the city. A full list of the properties was appended to the report. Up to now none of this dispersed portfolio had been included in any of the Housing Investment Opportunities options that had been pursued by the Council. Furthermore, the geographic spread and diversity of these properties made them expensive to maintain and difficult to manage. As a result there had been little improvement work carried out on them and they did not meet the Decent Homes Standard.

The report proposed that the whole portfolio be combined into a Small Scale Voluntary Transfer (SSVT) to a single Registered Provider. The alternative of transferring ownership of groups of the properties to local Registered Providers in each of the relevant areas had been considered and rejected. Resource constraints would have prevented those transfers being undertaken concurrently, unduly delaying the overall timetable and allowing the condition of the properties to deteriorate further.

Bids for the portfolio would be sought from appropriate Registered Providers. The bid evaluation criteria would include ensuring that:

- the properties were improved so as to meet the Decent Homes standard;
- the properties would be managed by a Registered Provider who would deliver excellent customer service; and
- there was no cost to the Council and that any potential capital receipt was maximised.

As the majority of properties were tenanted the transfer would also be conditional on the consent of the Secretary of State and on a majority of tenants voting in favour of the transfer in a ballot.

The report also explained that the Council owned a further 39 properties in regeneration areas which were due to be demolished or refurbished. Options appraisal work was being undertaken to establish the most appropriate future for those properties in the current economic conditions. These properties were not included in the portfolio for the proposed transfer but it was suggested that if the regeneration proposals cannot be secured before the stock transfer is completed

then it would be more appropriate to also transfer them to the preferred Registered Provider. We supported that proposal.

Decisions

1. To approve the transfer of the properties identified in the report to a Registered Provider with a proven track record of delivering excellent customer service.
2. To authorise the Director of Housing, in consultation with the Executive Member for Neighbourhood Services, to take all necessary steps to complete the transfer.
3. To recommend to the Council authorises the City Solicitor to obtain the consent of the Secretary of State to the transfer.
4. To authorise the City Solicitor to conclude all contractual documentation to give effect to the transfer.
5. To authorise the transfer of any further properties which become available for disposal as specified in Section 2.4 of the report.

Exe/10/131 Lakin / Levens Street Development – Disposal of 11 properties

A report was submitted on a proposal to bring back into use 11 properties on Lakin Street and Levens Street in Harpurhey which were in City Council ownership and currently vacant. The report sought our approval for the disposal of the properties at below current market value to Adactus Housing Group so as to allow Adactus to refurbish them and bring them back into use as rented social housing. The properties were in two terraced streets in Harpurhey: numbers 7, 9, 13, 15, 17, 19, 21, 23 and 43 Levens Street and numbers 29 and 35 Lakin Street. It was proposed that the properties be sold for a total of £65,000, which was less than the estimated total open market valuation of between £316,000 to £371,000.

The report explained the legal conditions that would apply to the disposal and the terms and conditions of the sale to Adactus. The disposal was to include a provision that the properties were to be used for social rent in perpetuity but that if any were sold in the future the City Council would receive a share of the receipt.

We noted that local consultations had been undertaken on the scheme and we were satisfied that the proposed reuse of the properties for rented social housing would contribute to the promotion of the social, economic or environmental well being of the area.

Decisions

1. To approve the disposal of the 11 properties in Lakin Street, and Levens Street, Harpurhey to Adactus Housing Group at below the current market value.

2. To authorise the City Solicitor to complete the documentation in order to complete the transfer of the properties to Adactus Housing Group.
3. To delegate authority to the City Treasurer to negotiate and agree the final terms for disposal of the land.

Exe/10/132 The Co-operative Complex

In May 2008 we agreed in principle the investment of up to £20m of Council funds into the development of a new quarter in the city centre, anchored by the Co-operative Group (the Co-op), to drive regeneration in the north city centre area and support the ongoing growth and development of the regional centre (Minute Exe/08/87). In July 2009 we considered and approved a Development Framework for the area after public consultation (Minute Exe/09/82). In June 2010 we had confirmed the commitment to invest £20m into key elements of the development that would create a sense of place for this new quarter and high quality environment (Minute Exe/10/46).

The Chief Executive submitted a report to update us on the joint working between the City Council and the Co-op. The regeneration framework we had endorsed in 2009 had now been refined to create an appropriate context for investment and development in the area.

The report explained how the revised framework provided an appropriate context for the major new developments on the north side of Miller Street; the refurbishment of the listed estate; new public realm which reconnects the estate to adjoining communities; structural changes to traffic patterns to improve circulation within the area including extensive works to Miller Street; and ensured a seamless connection to adjoining regeneration areas and initiatives.

We welcomed these revisions and approved in principle the regeneration framework as appended to the report. We requested that the Chief Executive now undertake consultation with stakeholders on this Framework and report on the outcome of that consultation is due course.

Decisions

1. To note the progress made to date between the City Council and the Co-operative Group in bringing forward a major commercially-led mixed use development project at the northern gateway to the city centre.
2. To approve in principle the regeneration framework (Appendix A of the report) and the proposed changes to the highway network (Appendix B of the report).
3. To request the Chief Executive undertake a public consultation exercise on the regeneration framework with local stakeholders.

4. To request that a further report be brought forward, following the public consultation exercise, with final proposals for the regeneration of this area.

(Councillors Amesbury, Andrews, J. Battle, S. Murphy, and S. Newman declared they had a personal and prejudicial interest in this item of business and that a dispensation had been granted to them by the Standards Committee to enable them to speak and vote in respect of any issues arising in meetings of the Executive regarding the Co-operative Complex regeneration proposals (Minute ST/09/7).

Councillors Ashley declared he had a personal and prejudicial interest in this item of business and withdrew from the meeting. Councillor Leese declared he had a personal interest as a member of the Co-operative Society).

Exe/10/133 AGMA Executive Board

Decision

To receive the decision notice for the AGMA Executive meeting on 26 November 2010.