

The Executive

Minutes of the meeting held on 10 March 2010

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

Also present as Members of the Standing Advisory Panel:
Councillors: Ashley, R Battle, Commons, Donaldson, Grant, Hassan, Keegan, A Khan, Longsdon, N Murphy, Pearcey, Shannon, Shaw and Wheale.

Exe/10/22 Urgent Business

Decision

To note the Chair had agreed to receive a report of the Chief Executive and the City Treasurer on proposed increases to the capital programme as urgent business.

Exe/10/23 Minutes

Decision

To approve the minutes of the Executive meeting held on 3 March 2010 as a correct record.

Exe/10/24 Proposal to revise the partnership arrangement with Manchester Mental Health and Social Care Trust (MMHCST)

In March 2002 we agreed to the establishment of the Mental Health and Social Care Trust, and approved the partnership arrangements with the then North, South and Central Primary Care Trusts for commissioning mental health services (Minute Exe/02/58). However, our joint ambitions for the partnership had been constrained by legislation that allowed only Local authorities to employ mental health approved social workers. That legislative constraint had been removed in April 2008, under the Mental Health Act 2007, so allowing the further development of the partnership.

In December 2009 we had authorised negotiations with the Trust on a revised partnership arrangement, and agreed to consult the Council's employees who were currently seconded to the Trust and who, under the proposals, would transfer to become employees of the Trust (Minute Exe/09/167). A report was submitted on the key points arising from the negotiations with the Trust, and on the outcome of the employee consultations.

Five main points had been identified in the review of the present partnership:

- the contribution of mental health services to the Council's wider agenda;
- the limited formal Governance arrangements at present;

- the performance of mental health services in Manchester;
- value for money;
- the handling of high risks and uncertain assurance arrangements;

and the report explained how each of these would be addressed in the revised arrangements.

The report also dealt with the intended future of the five Council-owned buildings currently used and occupied by the Trust. The proposal was for the Council to grant long leases to the Care Trust, at nil rent, with the Care Trust taking responsibility for the repairs and maintenance of the properties. We supported those proposals.

The consultation with the employees had included a series of meetings that all affected staff could attend, and every member of staff being sent a questionnaire on the proposed changes. The views that had been expressed by employees had been mixed, with some supporting the proposals and some opposing them. The report also set out the views of the trade union which made it clear that further consultation was needed on some of the details of the proposed changes.

We noted that the Health and Wellbeing Overview and Scrutiny had also considered these proposals at its recent meeting (Minute HWB/10/25) and had endorsed the recommendations set out in the report.

Having considered the report and the alternatives to a revision of the partnership arrangements, we authorised work to proceed to bring about the proposed changes.

Decision

1. To approve the recommended option of revising and improving the current Partnership agreement, on the basis of increased assurance from our Care Trust Partner.
2. To delegate to the Strategic Director of Adult Services, in consultation with the Head of Personnel and the Executive Member for Adult Services, the authority to consult staff and trade unions to put the necessary arrangements in place to progress the transfer of City Council staff to the Care Trust in line with the relevant regulations.
3. Subject to any required consents from the Secretary of State, to delegate to the Chief Executive in consultation with the City Treasurer and Executive Member for Adult Services, the authority to transfer on a long lease to the Care Trust, the five Council owned properties wholly occupied by Care Trust activities.
4. To delegate to the Strategic Director of Adults, in consultation with the City Solicitor and Executive Member for Adult Services, the authority to finalise the documentation for the new partnership agreement with the Care Trust.

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

Exe/10/25 School Admissions Policies and Co-ordinated Admissions Schemes

The City Council is the admissions authority for community and voluntary controlled primary and secondary schools. The council has a duty to review its scheme of co-ordinated admissions annually. A report was submitted to seek approval for the coordinated admissions schemes for 2011/12, and also for approval of the admissions policy for community and voluntary controlled primary schools and community secondary schools for 2011/2012.

The report explained that the following matters had been taken into account in amending and developing the policies since we last approved them in 2009 (minute Exe/09/54):

- the Department for Children, Schools and Families (DCSF) Schools Admissions Code issued in February 2009 included some major changes for the 2011/12 academic year;
- the Report of the Office of the School Adjudicator in October 2009 had also made recommendations to the DCSF, and those recommendations had informed the proposals for Manchester school admissions; and
- the responses to the public consultation on the proposed changes.

The details of each of these were set out in the report, including the matters that had been raised by the consultees and the response of the Director of Children's Services to them. Appended to the report was a full text of the proposed policies with the changes indicated.

Decisions

We agreed to:

1. have regard to the consultation comments and responses;
2. note the new requirement that the Local Authority coordinate both Primary and Secondary school admissions for 2011/12;
3. note the inclusion of Foundation and Trust Schools to the Coordinated Admissions process;
4. note the changes made to the policies to reflect advice from the National Schools Adjudicator and DCSF;
5. the proposed changes to the primary schools admissions policy;
6. the proposed changes to the coordinated primary schools admissions scheme including in-year arrangements;
7. the proposed changes to the secondary schools admissions policy; and
8. the proposed changes to the coordinated secondary schools admissions

scheme including in-year arrangements.

Exe/10/26 The impact of procurement spend on our local communities

The Council has been at the forefront of promoting and adopting sustainable procurement practices. Increasingly, our procurement procedures and decisions take account of community benefit, sustainability, supporting local organisations to bid for contract opportunities, and ensuring that procurement spending has wider benefits and helps to tackle worklessness and deprivation.

A report by the City Treasurer described the leading work of the Council's Procurement Service in furthering local employment and economic and social wellbeing in the city.

In order to determine the effects of these innovations the service had commissioned independent research from the Centre for Local Economic Strategies. That study had reported:

“It is fair to say that Manchester City Council's procurement practices have a significant impact upon the Manchester economy. The notions of sustainable procurement filter down the supply chain, making important contributions to the Manchester economy as providers of services, as promoters of the City of Manchester, as enablers of local employment and local suppliers, as community integrators and developers and as providers of wider-role services.”

We welcomed the report and commended the excellent and effective work being done in this important area, and noted the successes and savings already achieved. We also supported the proposals for further action and research as described in the report.

Decisions

To approve the action being taken arising out of the research undertaken, including:

1. extending the research beyond the top 300 suppliers by a further 700 to enable the spend with the top 1000 suppliers to be analysed;
2. the production of case studies for the top 300 to promote best practice in relation to local employment and training;
3. promoting Manchester City Council's Sustainable Procurement Policy and understand the wider impact of our spend through a series of seminars, workshops and events for suppliers, officers, community groups and members;
4. opening discussions within AGMA through the Commission for New Economy regarding undertaking similar research across the 10 Greater Manchester Authorities; and

5. working through all the recommendations listed in Appendix 2 to this report during the next 12 months.

Exe/10/27 Manchester's Cultural Ambition

Last year the Council and the Cultural Partnership commissioned work to update the Manchester's Cultural Strategy in order to identify how the city could derive best value from the significant capital and revenue investment that has been made in culture, and to generate a vision for future innovation. The report 'Reframing Manchester's Cultural Ambition' was the product of that work, establishing the key decisions and actions needed to achieve the ambitions for the city.

The Cultural Ambition was organised around five themes that took forward the three spines of the Community Strategy. The themes were designed to generate a vision of future success and to be a call to action to other partners to share the priorities and target their investment towards the common objectives.

Implementation was going to require a concerted effort by the council, regional cultural agencies, cultural organisations and private sector partners to achieve the exciting and challenging ambition. Feedback during the consultation process had demonstrated the willingness to work together to find new ways of delivering cultural activities to obtain the best value from existing investment and generate new funding opportunities. The regional cultural agencies including the Arts Council England, Museums and Libraries Association, English Heritage and Sport England, had agreed to work with the City Council and Marketing Manchester in a new Cultural Partnership structure.

A major proposal in the Cultural Ambition report was the establishment of a Cultural Commissioning Fund. This fund was to help generate investment, to realise key objectives, and to align the existing spending priorities of stakeholders. The Fund would be initiated by the City Council with the support of private sector sponsors, regional and national funding bodies and with the participation of major cultural organisations in the city. This Fund was to support delivery across the five themes of the Cultural Ambition framework with a specific focus on innovation, skills and talent.

Decisions

1. To endorse the Cultural Ambition as a framework for future cultural development in the City, to be taken forward through the Cultural Partnership in support of delivery of the Community Strategy.
2. To approve in principle the establishment of a public/private sector commissioning fund for innovation, skills and talent development and to request Officers to bring forward a detailed Business Plan for its operation following consultation with national, regional and local stakeholders.

Exe/10/28 Atlantic Gateway – Framework for a global growth opportunity

In March 2009 we had considered the investment concept of Peel Holdings for a proposed £50 billion investment strategy for the North West of England, to be phased over the next few decades. The proposal was based on Peel's own land holdings of 50 sites, mainly in a corridor from Merseyside to Greater Manchester (Minute Exe/09/35). Since then the NWDA and the GONW had continued to develop the proposals and had issued a further consultation document on 18 January 2010, with 5 February as the deadline for responses.

The Chief Executive submitted a report that explained how the proposals had developed since March 2009. The report also included the response to the consultation that had been sent on behalf of the Council.

Decision

To note the issues raised in the consultation response at Appendix 1 of the report and to formally endorse the policy position set out in the report.

Exe/10/29 Mayfield – City Strategic Regeneration Framework (SRF)

In December 2009 we requested the Chief Executive undertake a public consultation exercise on the proposed SRF for the Mayfield area of Piccadilly, consulting with local residents and businesses (Minute Exe/09/165). The Chief Executive submitted a report to inform us of the responses to that consultation and to propose the adoption of the SRF.

There had been nine responses to the consultation: three from statutory bodies and public bodies; two from landowners; and four from local residents and businesses. The report explained that the main issues raised by the respondents related to car parking and land ownership; it detailed the matters that had been raised by the statutory consultees; and set out the responses to all the key issues. We noted that further work was needed to consider how best to address the provision of car parking within the overall framework for the area.

Having considered the comments and submissions received during the consultation, and the officers' response to them, we agreed to approve the concept and principles of the Framework.

Decisions

1. To note the comments received from local businesses, residents and other stakeholders, and the Council's response as summarised in the report.
2. To agree that further work should be undertaken to address potential future parking requirements and options to manage this.
3. To authorise the Chief Executive to amend the SRF in light of the comments contained in the report, in consultation with the Leader.

4. To approve the concept, vision and regeneration principles set out in the Framework with the intention that it is taken into account by the Planning and Highways Committee when determining future detailed planning applications relating to this area.

Exe/10/30 Greater Manchester Housing Strategy

The Greater Manchester Housing Strategy had been developed following consultation with relevant districts and bodies within the sub-region. It set out a programme of joint priorities for the next few years and complemented existing district housing strategies. The objectives in the Strategy included:

- To transform the quality of the City Region residential offer
- To put in place the conditions to support and accelerate delivery of housing growth
- To radically improve the quality of the private rented sector
- Focused intervention in the most deprived areas
- To understand the spatial implications of the Greater Manchester Housing Strategy, including delivery of supporting infrastructure
- Achieve a rapid transformation to a low carbon economy
- Housing, health and well-being

The Strategy had been approved by the AGMA Executive Board on 18 December 2009, and a report was submitted by the Director of Housing recommending that the Council also adopt the Strategy. The report explained that the strategy was intended to help translate the housing priorities in the Greater Manchester Strategy into an agreed programme of joint priorities and actions. It was intended to complement rather than replace existing district strategies. The focus of the Greater Manchester Strategy was on areas where working together at a sub-regional level was likely to add most value. It had been informed by the research carried out through the Greater Manchester Strategic Housing Market Assessment and other sources.

The Strategy was based around the three key themes in the North West Regional Housing Strategy 2009, which also form the key themes in Manchester's Draft Housing Strategy Statement:

- achieving the right quantity of housing;
- continuing to raise the quality of the existing housing stock; and
- connecting people to an improved housing offer.

A detailed action plan was to be developed and presented to the AGMA Planning and Housing Commission in March 2010.

Decision

To approve and recommend the Council adopt the Greater Manchester Housing Strategy.

Exe/10/31 Dedicated Schools Grant 2010/11

Funding for schools and other pupil related services in Manchester is paid to the Council through a ring fenced grant known as the Dedicated Schools Grant (DSG), based on the number of pupils eligible for funding. In 2010/11 each relevant Manchester pupil was to attract a per-pupil funding value of £4,919. This was a 4% increase on the 2009/10 funding rate.

Decisions

We agreed to:

1. note the anticipated level of Dedicated Schools Grant (DSG) funding in 2010/11;
2. note the requirement of the Local Authority to distribute school budgets by 31 March 2010;
3. note that DSG will not be finalised until confirmation is received from the Department for Children, Schools and Families (DCSF) in June 2010 - any under or over provision will be a call on or addition to the DSG in the following year;
4. delegate to the Director of Children's Services, in consultation with the City Treasurer, the Executive Member for Children's Services and the Executive Member for Finance and Human Resources, the decisions on the final allocation of the DSG; and
5. note the advice of the City Treasurer and City Solicitor that these decisions are urgent in order to meet the requirement to distribute school budgets by the due date of 31 March 2010, and so exempted from call-in.

Exe/10/32 Change in Planning Use Class Order

A forthcoming change to the Planning Use Classes Order would create a specific definition of a House in Multiple Occupation (HMO), and allow changes of use to this use class to be controlled and regulated through development control procedures. This amendment was to come into effect on 6 April 2010.

A report from the Head of Planning described the background to this important change, including the representations to government that the Council had made in the past to press for this amendment. Residents in some parts of Manchester, particularly South Manchester, have raised concerns with the Council about the harm being done to local communities through the increasing number of properties being given over to HMOs. This applied especially to privately rented houseshares in parts of Fallowfield, Old Moat and Withington wards. To date, the Council had not been able to control this sort of housing, as planning permission had not been required to let a property to a group of unrelated people. This change to the Use Classes Order would enable the Council to refuse permission for HMOs where it considered granting permission would be inappropriate on the basis that it would cause

demonstrable harm.

An interim policy position was needed while work continued on the detailed implications of the amendment. We noted that a further report was to be presented to us in due course. We also noted that the Communities and Neighbourhoods Overview and Scrutiny Committee had considered this matter at its recent meeting (Minute CN/10/24) and had endorsed the proposed interim policy statement.

Decision

1. To notes the report.
2. To approve, for development control purposes, this outline interim policy position:- **The City Council will not permit conversion of a C3 dwelling houses to a C4 House in Multiple Occupation where this would have a negative impact on the sustainability of neighbourhoods and residential amenity in the surrounding area.**

Exe/10/33 Spinningfields

A report was submitted to advise us of progress made with the development and implementation of the Spinningfields Masterplan. The report also presented proposals and commercial details concerning the future development of the area.

We have received previous reports outlining the principles to be used for securing comprehensive regeneration in the Spinningfields area and setting out progress made with the development and implementation of the Spinningfields Masterplan. The most recent was in June 2007 (Minute Exe/07/66). Since then, there had been a considerable amount of development and change in this area including further relocations by new investors, and the need to continue to respond to end user requirements. This had made it necessary to review certain aspects of the Masterplan in order to secure the continued development of the area, and to look at ways of ensuring the area continues to remain attractive to new, high-end occupiers.

Spinningfields had two further main development plots at 1 and 2 Hardman Square and 2 and 3 Hardman Boulevard. These had the potential for some 580,000 sq ft of offices and ancillary retail. In the present economic circumstances the likelihood of these being developed was significantly reduced, but their successful development was of strategic importance to the long-term objectives of the Materplan.

Allied London, the owner and developer of Spinningfields, work in partnership with the Council under a Development Agreement covering the development of the Masterplan and measures to promote the area as a major business district. The Agreement will expire in April 2014. Terms had been offered by Allied London for the Council to acquire the freehold interest and grant back to Allied London long leasehold interests in the two development sites at Hardman Square and Hardman Boulevard. The acquisition would in turn be used by Allied London to provide the essential funding to enable the next strategically important phases of the Spinningfields project to be brought forward at the earliest possible opportunity. In

the prevailing difficult market these projects would not be delivered before the current agreement expires in April 2014, and so it was proposed to extend the agreement to 31 December 2015 to facilitate these developments.

The report set out the details of the proposal, with the commercial terms being described in a separate report considered later at this meeting when the public had been excluded to allow the confidential terms to be reported to us.

Decisions

1. To note the work underway to evaluate and develop further opportunities to enhance the competitive and employment potential of Spinningfields, and the progress made to date in bringing forward further major mixed-use development at this important city centre business quarter.
2. To approve the commercial arrangements as now provisionally agreed with Allied London, incorporating delivery and performance measures for the further development and implementation of the Spinningfields Masterplan.
3. To authorise the Chief Executive, the City Treasurer and City Solicitor, following consultation with the Leader and Executive Member for Finance and Human Resources, to negotiate and complete all necessary agreements in order to implement the proposals, including the freehold acquisition, grant of the leases and the variations to the Development Agreement to which this report relates.
4. To note that approval of this report is subject to acceptance of the recommendations contained within the confidential report on Spinningfields also considered at this meeting (Minute Exe/10/38).

Exe/10/34 AGMA Executive Board

Decision

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

Exe/10/35 Housing Allocations Scheme

The Allocations Scheme includes the criteria that the Authority uses to assess the eligibility and priority of applicants for the social housing the Council has available. Approximately 4,500 lets per year are made to social housing overall in the City, approximately 75% of which are let under the Allocations Scheme. The scheme was last revised in 2007 (Minute Exe/07/134). However, at that time, we also identified the need for additional and more radical policy interventions to assist a proportion of local residents on lower incomes to access new housing opportunities, and to ease pressure on housing waiting lists.

A report was submitted proposing a new Housing Allocations Scheme for the City,

under Part VI of the Housing Act 1996 (as amended). The report advised us that the proposals had emerged from a fundamental review of the present Allocations Scheme that had been commissioned by the Director of Housing and Executive Member for Neighbourhood Services. Changes in the allocations policies and priorities were being driven by local, regional and national developments including "Fair and Flexible - Statutory Guidance on social housing allocations for local authorities in England" that had been recently published by the government, the development of the Greater Manchester Strategy, the Greater Manchester Housing Strategy, and the creation of the pilot statutory city-region. We thanked the officers for all the work done to bring forward these important revisions to the scheme.

The report also described the outcome of the extensive formal consultation with Manchester residents and partners on those proposals.

The main changes to the present Scheme were outlined in the report with a full copy of the proposed new Scheme, and the Equality Impact Assessment that had been undertaken on it, both appended to the report. It was explained that the proposals were a significant departure from the current allocations policy but would in the longer term help to bring about the balanced and sustainable neighbourhoods that we know our residents want and the City needs if it is to fulfil its potential as a World Class City.

Decisions

1. To approve the adoption of the Part VI Allocation Scheme at Appendix 1 of the report.
2. To note and approve the ongoing work required to implement the scheme, and to delegate authority to the Director of Housing, in consultation with the Executive Member for Neighbourhood Services, to allow for a smooth implementation upon advice from the City Solicitor.
3. To note the Equality Impact Assessment at Appendix 2 of the report.

Exe/10/36 Capital Programme – Proposed Increases

A report concerning requests to increase the capital programme was submitted as urgent business. We agreed to make three changes under delegated powers. Taken together these changes will increase the capital budget by £5,392,000, financed by £2,992,000 government grant and £2,400,000,000 European grant.

Decision

To approve the following:

1. Chief Executive's Regeneration – Oxford Road Digitisation: To increase the capital budget by £500,000 in 2010/11 funded by NWDA grant.
2. Chief Executives Regeneration – New East Manchester – Sharp Building: To

increase the capital budget by £4,800,000 in 2010/11 funded by £2,400,000 ERDF grant and £2,400,000 NWDA grant.

3. Neighbourhood Services – Environment and Operations – Ancoats CCTV: To increase the capital budget by £92,000 in 2009/10, funded by NWDA grant.

Exe/10/37 Exclusion of Public

A recommendation was made that the public be excluded during consideration of the next item of business.

Decision

To exclude the public during consideration of the following items which involved consideration of exempt information relating to the financial or business affairs of particular persons, or involved information in respect of which a claim for legal professional privilege could be maintained in legal proceedings, and public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Exe/10/38 Spinningfields

A report was submitted setting out detail on the proposed financial and legal arrangements necessary for bringing forward the next phase of development at Spinningfields with the majority landowners, Allied London. We approved the proposals.

Decisions

1. To note the recommendations of the other report considered at this meeting (Minute Exe/10/33).
2. To authorise the Chief Executive and City Solicitor to extend the longevity of the existing Development Agreement with Allied London and authorise the Chief Executive, the City Treasurer and City Solicitor to vary the terms of the existing Development Agreement.
3. To authorise the Chief Executive, the City Treasurer and City Solicitor to negotiate and execute all necessary contracts with Allied London in respect of the relevant acquisition and leaseback of land, including due diligence.

Exe/10/39 Proposal to retain development land in Miles Platting

A report was submitted seeking approval to retain land in Miles Platting to enable the development of a new Community Hub, and to negotiate a terms for a settlement with the PFI Contractor for the retention of this land by the Council. The full details and background to this proposal were set out in the report.

Decisions

1. To approve the retention of two plots of land in Miles Platting adjacent to the Community Hub which were due to be developed by the PFI contractor but which cannot now be developed, as planned.
2. To authorise the Director of Housing and the Treasurer in consultation with the Executive Member for Neighbourhood Services and the Executive Member for Finance and Human Resources to negotiate the terms of the settlement with Renaissance Miles Platting Limited.

(Councillor J Battle and Councillor Priest declared personal interests in this item of business as members of the Board of New East Manchester Ltd).