
Meeting: Executive
Date: 28 September 2010
Subject: Review of Joint Memorandum of Understanding (MoU) with Milton Keynes Council
Report of: Cllr Tom Nicols, Portfolio Holder for Sustainable Development
Summary: The report seeks agreement for the most appropriate way forward in respect of the Joint MOU with Milton Keynes Council.

Advising Officer: Gary Alderson, Director for Sustainable Communities
Contact Officer: Richard Fox, Head of Development Planning and Housing Strategy
Public/Exempt: Public
Wards Affected: Aspley Guise, Husbourne Crawley and other wards adjacent to Milton Keynes Council area
Function of: Executive
Key Decision Yes
Reason for urgency/ exemption from call-in (if appropriate) Not Applicable

CORPORATE IMPLICATIONS

Council Priorities:

Supports corporate priority 3, "Managing growth effectively", taking an active and leading role in discussions within the sub region to ensure that the needs and aspirations of Central Bedfordshire are recognised.

Financial:

The servicing of the officer and Member groups is met from existing resources
There is no direct cost associated with retaining or termination of the Memorandum of Understanding. However it would be prudent if officers continue to maintain a professional networking arrangement with Milton Keynes. In particular the sharing of information between peers could avoid the cost of purchasing information from commercial providers or those local authorities who are seeking to charge others for information that was previously provided free of charge.

Legal:

None - The MoU is not a legally binding document.

Risk Management:

No risks identified.

Staffing (including Trades Unions):

No staffing implications identified.

Equalities/Human Rights:

No equalities or human rights issues identified.

Community Safety:

No issues identified.

Sustainability:

No specific sustainability issues identified.

Summary of Overview and Scrutiny Comments:

- The report has not been considered by Overview and Scrutiny.

RECOMMENDATION:**1. That the Executive agree one of the options outlined below:**

- (a) Leave the current MoU in place until the outcome of the proposed Local Enterprise Partnership and other legislation regarding the cross boundary duty to co-operate are known, and then enter into a revised or fresh MoU.
OR
- (b) Withdraw totally from the MoU but leave in place the current cross boundary working arrangements.

<i>Reason for Recommendation</i>	<i>To implement the Council's policy commitment to partnership working and the proposed "duty to co-operate" between Council's</i>
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Executive Summary

The report relates to a Memorandum of Understanding that was agreed between Central Bedfordshire Council and Milton Keynes Council (MKC) in May 2009. At that time the expansion of Milton Keynes into Central Bedfordshire was fairly certain, but the scale and design of the new development had yet to be planned. The MoU provided an agreement between the two Councils about joint working and how the development framework for the area would be produced. However, since the Coalition Government was elected there have been a number of changes to planning policy and resolutions by MKC which have reversed earlier decisions about this development proceeding. In light of this some Members have called into question the need for the MoU. This report sets out the background context against which a decision about the MoU needs to be considered and two possible options.

Background

1. When the first draft of the South East Plan was published in 2006, it identified possible directions for growth that extended outside Milton Keynes administrative area. As a result further work was undertaken in the form of the Milton Keynes Strategy for Growth, which identified two urban extensions, one of which extended into Central Bedfordshire. This area became known as the South East Strategic Development Area (SESDA). Although strongly opposed by the then Mid Beds District Council, the Secretary of State included it in the final version of the South East Plan. Reluctantly the Council accepted that development was likely but sought to reduce the number of dwellings originally proposed (5600 in the South East Plan) to a more sustainable 2,000 homes. This was also on the basis that an extension to the green belt must be provided to protect the village of Aspley Guise from coalescence. This view was established through public consultation and considerable thought and debate by the Executive, and was included within the text and policy of the draft Core Strategy for the Northern area of Central Bedfordshire in 2009.
2. During the lead in to the Examination Hearings into the submitted Core Strategy the Council was aware of considerable developer pressure to expand Milton Keynes significantly beyond the 2,000 dwelling figure proposed in the Strategy into Central Bedfordshire. At that time it was felt that entering into a Memorandum of Understanding with Milton Keynes Council would provide both a framework for joint working arrangements to plan for the south eastern expansion area but would also support the policy approach in the Central Bedfordshire Core Strategy. The MoU with Milton Keynes Council was therefore agreed by Executive in May 2009 (appendix A).
3. Following the Examination into the Central Bedfordshire Core Strategy in July 2009, changes were made to the final document by the Inspector with regard to Milton Keynes SESDA. The final adopted Central Bedfordshire Core Strategy acknowledges the proposal in the South East Plan but importantly defers any decision about the area to the forthcoming review of the East of England Plan.
4. Since then a number of changes and announcements have been made from the Coalition Government which have had considerable impact on the work and issues that surround planning policy. The most significant of these is the abolition of the Regional Spatial Strategies (RSS) and regional housing targets. Milton Keynes Council have resolved to revise their draft Core Strategy and oppose the expansion by stealth of Milton Keynes beyond its existing boundaries. As a consequence the Council has halted all work on a Development Framework for the SESDA. At the recent Milton Keynes Local Development Framework Advisory Group held on the 5th August 2010 the Group resolved that "other sites not contained within the existing Milton Keynes Local Plan (*including the SESDA*) retain their status as open countryside and thus with a presumption against development". This confirms that Milton Keynes Council do not intend to allocate the SESDA beyond the existing three strategic reserve sites which were already allocated in their Local Plan.
5. **In light of the above resolutions the SESDA is effectively defunct and there is no longer an imminent threat of development into Central Bedfordshire from Milton Keynes Council.**

Localism and revised planning policy framework

6. The draft Localism Bill will be issued in the Autumn of 2010. This is scheduled to be operational by November 2011. It is anticipated that the Localism Bill will include a 'duty to cooperate' between councils, specifically aimed at cross boundary working around achieving growth.

Future Joint Working Arrangements

7. There are existing joint working arrangements in place in the current Cross Boundary Officer Group and the Member Reference Group. These arrangements are encapsulated in the MoU but have their own Terms of Reference. Other aspects of the MoU are out of date however and in need of reconsideration (the MoU is attached in appendix A).
8. The most recent Cross Boundary Member Reference Group discussed the role of the Group and whether there is a need to have revised arrangements including reviewing the MoU. Discussions took into account the proposed new "duty to cooperate" and in particular the proposals being worked up around the formation of a Local Enterprise Partnership. Members agreed that without the historic regional/sub-regional architecture in place, there is a need for some strategic cross boundary discussions to continue, if nothing else, as a means of keeping neighbouring authorities informed and being able to provide an opportunity to discuss common issues facing councils. Members agreed that as a number of factors (as yet unknown) could influence the future of the group, the current arrangements should continue until other new proposals had been finalised.

Conclusion and Next Steps

9. In view of the sensitivities surrounding the SESDA and the revocation of the RSS some have called into question the need for the MoU. Some form of MoU may still be required and therefore any changes to the MoU should be put on hold until various outcomes are known. However, alternatively, Members may wish to withdraw from the MoU completely but continue with the current meetings.

Appendices:

Appendix A – Milton Keynes MoU

Background Papers:

Executive Report - May 2009

Location of papers: Priory House, Chicksands, Shefford