

SUMMONS TO THE MEETING of the MILTON KEYNES COUNCIL

WEDNESDAY 16 SEPTEMBER 2015
7.30 PM

COUNCIL CHAMBER, CIVIC OFFICES
CENTRAL MILTON KEYNES



Stephen Gerrard
Interim 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

AGENDA

Item No:

1. Procedure

(a) Apologies

(b) Minutes

To approve, and the Mayor to sign as a correct record, the Minutes of the meeting of the Council held on 15 July 2015 (Item 1) (**Pages 13 to 26**).

(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

To receive announcements, if any.

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) Constitution Commission – 22 July 2015

Administrative Changes to the Constitution

“That the Council be recommended to agree that the following words be added to Article 17 of the Constitution:

‘The Service Director (Legal and Democratic Services) / Monitoring Officer is authorised to up-date the titles of officers and the management structure to ensure that they remain current and other consequential amendments to reflect Council decisions to ensure that the Constitution remains a contemporary document, provided that no changes undertaken by the Service Director will take effect until they have been agreed by the Council.’”

(b) Cabinet – 14 September 2015

(i) Wolverton Town Centre Neighbourhood Plan

“That the Council be recommended to ‘make’ the Wolverton Town Centre 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(b)(i) (**Pages 27 to 32**)

(ii) Investment in Property Fund for Temporary Accommodation

“That the Council be recommended to approve Prudential Borrowing of £5m to fund a £5m investment in the Real Lettings Property Fund, and to approve an addition to the 2015/16 Capital Programme Resource Allocation and Spend Approval of £5m.”

A copy of the report considered by the Cabinet is attached at Item 4(b)(ii) (**Pages 33 to 36**)

This is a recommendation coming to Council from Cabinet as a matter falling outside of the previously agreed budget framework.

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) Right to Buy for Housing Association Tenants

Councillor C Williams – 19 August 2015

”1. That the Council notes:

- (a) the Conservative Government’s proposal to extend the Right to Buy to Housing Association tenants, to be paid for by selling off the most expensive Council Housing stock;
- (b) the shortage of affordable rented homes in Milton Keynes (currently estimated to be at least 850 and due to rise to over 1,000 within the next three years) and expresses its concern that the Conservative government’s plans will make matters far worse;
- (c) the recent Local Government Association “First 100 Days” campaign which highlighted there are 1.7 million households on waiting lists for affordable housing across England and that more than 3.4 million adults between 20 and 34 live with their parents;

- (d) the research carried out by the National Housing Federation which shows that just 16% of the public believed that extending Right to Buy to housing association tenants would be the most useful way of tackling the affordability crisis, and that the public's top choice, selected by 46% of the people, was to help housing associations and / or councils to build more affordable homes;
 - (e) a report by the Financial Times on 14 June 2015 which shows that there could be a funding gap of over £1 billion to pay for the scheme; and
 - (f) agrees with the following warning from UNISON: *"Solving the housing crisis requires a significant increase in all types of housing – particularly affordable social housing – to meet housing demand, and will not be solved by selling housing association homes and depleting the nation's social housing stock. The acute shortage of housing is leading to spiralling housing costs, which families across the nation are struggling to meet"*.
2. That the Council opposes the forced sell off of council housing to pay for this Conservative plan and is concerned that the Conservative Government has also:
- (a) failed to address the situation for many local authorities which no longer have any housing stock to sell as they have transferred theirs to housing associations;
 - (b) failed to address the situation in areas of high housing demand where there are often few suitable sites to build replacement social housing stock; and
 - (c) failed to recognise that this means housing associations will simply be trying to catch up with replacing homes rather than building affordable housing to give more people homes they need.
3. That the Council notes that even the Conservative Mayor of London has said he did not want to see councils "deprived at a rapid rate of their housing stock" if more homes were not being built to replace them.
4. That the Council recognises the desire by many to own their own homes, and suggests that proposals put forward by the Liberal Democrats for a "Rent to Own" model and Shared Ownership housing would represent a better way of reaching this goal.

5. That the Council also notes that there are existing routes for housing association tenants to own their own properties – some Housing Association tenants already have the Right to Acquire.
6. That the Council condemns the Conservative Government's scheme and resolves to:
 - (a) work with other neighbouring authorities and housing associations to oppose the current Conservative government proposals;
 - (b) work with housing associations, developers and other 'interested parties' to find innovative ways to build more affordable homes and to begin to redress the chronic shortage; and
 - (c) write to both Members of Parliament to insist that they:
 - (i) show their public support for this Council's position;
 - (ii) speak up in Parliament for more social and affordable housing, and not less; and
 - (iii) demand a genuine "one for one" replacement but not at the cost of losing more Milton Keynes Council housing."

(ii) Housing in Milton Keynes

Councillor O'Neill – 1 September 2015

"1. That this Council recognises that:

- (a) Milton Keynes, like other areas, is in the midst of a housing crisis, with house prices and private rents increasing dramatically year on year and according to statistics, released by Danny Dorling, Milton Keynes is in the five most unaffordable places to live in Britain, outside of London, with an average house price to earnings ratio at 10:1;
- (b) private renting now costs tenants 40% of their income and in Milton Keynes average rents are £175 more than the national average;
- (c) homelessness is inevitably increasing, for both families and individuals, with Milton Keynes Council placing more families than ever into temporary accommodation at a cost of over £1million a year and that the human cost to those families on the frontline is incalculable,
- (d) when asked about a strategy to deal with the housing crisis Brandon Lewis, the Housing Minister, recently stated *'I'm not entirely convinced that publishing a strategy actually achieves what we want'* and this

indicates that the Government has no clear policy to deal with the housing crisis and in addition many commentators believe that the decision to attack and minimise social housing by the Government is an ideological stance rather than one embedded in genuinely trying to resolve the housing crisis;

- (e) the Conservative Government's decision in the recent Emergency Budget to freeze the Milton Keynes Local Housing Allowance for a two bed property at £656.50 per month, almost £200 less than the average rental price, will see homelessness increase further as people become less able to afford private rent;
- (f) in addition, the Emergency Budget was particularly damaging to the aspirations of Milton Keynes Council to build a mix of sizes, types and tenures of homes, including social rented accommodation and the reduction of social rent by 1%, whilst beneficial to tenants in the short term, will cost the Housing Revenue Account an estimated £22 million and 162 homes over the next four years; and
- (g) the new Pay to Stay scheme for households earning over £30,000 with the extra income going to the Treasury, will see an end to mixed communities and inevitably lead to an increase in Right to Buy for those who can afford it and a debt crisis for those who cannot.

2. That this The Council therefore:

- (a) requests that the Cabinet Member for Housing writes to Brandon Lewis, George Osborne and our two local MPs asking them to come to Milton Keynes to meet with families placed in Bed and Breakfast to explain their decisions;
- (b) requests that the Cabinet members for Housing and Resources investigate the possibility utilising existing, or establishing new, Joint Ventures to develop a rolling housebuilding programme across Milton Keynes;
- (c) looks to build on the recent success of the Housing Summit and helps develop a Milton Keynes Housing Alliance;
- (d) asks the Cabinet Member for Community Safety to develop a robust strategy to support those finding themselves street homeless;
- (d) requests the Chief Executive to ask Government to release the constraints currently on Right to Buy receipts; and

- (e) asks for Shared Ownership to be investigated as an alternative offer to Right to Buy with the caveat that any shares sold must be offered back to Council before being resold.”

(iii) MK Futures 2050 Commission

Councillors Bald, D McCall and Marland – 3 September 2015

“1. That this Council believes that:

- (a) the time is right to initiate an ambitious project to explore potential long-term futures, as part of the emergence of Milton Keynes as a UK city and economy of increasing significance, and as it continues to grow as a place;
- (b) external experts with a strong connection to Milton Keynes and the region should be engaged in the project to provide wider perspectives, knowledge and external challenge, including insights from national and international benchmark cities;
- (c) such a project must ensure the full range of Milton Keynes residents and communities are engaged, especially young people; and
- (d) consideration of the future of Milton Keynes through such a project should be integrated with the process for developing Plan:MK, to allow the two distinct work streams to take full benefit from each other as part of a formal process.

2. That the Council therefore resolves to:

- (a) establish a MK Futures 2050 Commission comprising experts from a range of sectors and backgrounds to engage local people, organisations, businesses, parish and town councils and the Elected Members of Milton Keynes Council in a process to explore the long-term future of Milton Keynes;
- (b) ask the Commission to deliver the following key outcome, based on the Terms of Reference for the Commission (included at Item 5 (**Pages 37 to 42**) that were developed with contributions from key stakeholders:

‘A view of potential longer term futures for Milton Keynes, noting the need to ensure flexibility for as yet unknown possibilities; making recommendations to the Council for its consideration in development of its medium and longer term policy framework’;

- (c) consider the Commission's report at a dedicated Council meeting at an appropriate time in the next municipal year, where it will be used as the basis for the Council to seek the following outcomes through engagement with the Government and other relevant stakeholders to:
 - (i) re-establish Milton Keynes as a project of national importance (as when the city was first designated in 1967);
 - (ii) develop a framework and/or "deal" with Government and other relevant stakeholders that will provide optimal arrangements to deliver the vision for the city's future; and
 - (iii) fully inform and complement the process for developing key strategies and policies, including the parallel programme of work on Plan:MK (the Council's spatial plan).
- (d) invite Sir Peter Gregson, Vice Chancellor of Cranfield University, to Chair the Commission and deliver by July 2016 a report and recommendations for the Council to consider;
- (e) ask the Commission to consider a range of possible futures for Milton Keynes through to 2050 and address the following three key questions in order to provide focus to its work:
 - (i) what might be the role and significance of Milton Keynes as a place and economy in the region, the UK and more widely including how it relates to other major places, cities and nearby large towns?
 - (ii) what might be the character of Milton Keynes as defined by its people, environment and culture?
 - (iii) what are the opportunities to pursue and challenges to address if we are to compete with other UK and international benchmark cities economically and in quality of life?;
- (f) require that the work of the Commission:
 - (i) recognises the unique character of Milton Keynes;
 - (ii) challenges both positive and negative preconceptions about the city, whether held by internal or external stakeholders;
 - (iii) makes provision to test its thinking and emergent recommendations and allow input from the political leaders of the Council;

- (iv) ensure the process is transparent, with evidence gathering in public and made publicly available, but with deliberations being in a closed environment, with a summary of these deliberations being made publicly available;
- (v) to be responsible for ensuring the engagement and input of the full range of MK residents, communities and Milton Keynes Council Elected Members, especially young people;
- (vi) engages regional (including neighbouring councils), national and international stakeholders and seeks insights from national and international benchmark cities; and
- (vii) is timetabled such that it can formally draw from, complement and inform the work to develop Plan:MK, including the consultation on the Plan:MK Vision and Development Options and feed into the development of the Preferred Options stage.”

Councillor Bald – 3 September 2015

“1. That this Council:

- (a) takes very seriously the role that the Administration and every councillor have in ensuring that tax payers’ money is carefully managed and stewarded;
- (b) against this backdrop, notes that:
 - (i) the Council was taken to Court by Woods Building Services regarding the award of an £8m contract for the removal of asbestos which they claimed had been incorrectly scored;
 - (ii) the Council decided to defend its position in court;
 - (iii) it appears that the Council did this without first thoroughly investigating and reviewing the scores awarded;
 - (iv) in so doing the Council failed to protect tax payers against a claim for costs; and substantial legal costs;
 - (v) the Court (July 15) ruled against the Council in favour of Woods and awarded costs against the Council of £122k; and
 - (vi) the Court ordered the tender to be rerun and left open a potential challenge for loss of profit from Woods, arising from flawed procurement.

2. That having due regard to the fact that contracts of more than £100k are determined by the Council's Cabinet Committee (Procurement and Commissioning), Council believes that this failure may signpost a systemic weakness in the Procurement process for large contracts which needs to be thoroughly investigated.
3. That the Council further notes that despite the very significant value of contracts being considered by the Procurement and Commissioning Committee, meetings rarely last more than 30mins.
4. That the Council believes that the Procurement and Commissioning Committee may be taking the approach of rubber stamping recommendations, rather than adopting a more challenging and rigorous process with difficult questions being asked and the Council further believes that this approach has potentially serious financial consequences in terms of securing value for money for tax payers and in the safeguarding of public funds.
5. That the Council therefore asks the Audit Committee to mount an investigation into what went wrong on this particular contact and based on these findings, to recommend any changes/ actions with regards to the Procurement process overall; with the aim of this investigation being to safeguard tax payers money and to protect the Council's reputation.
6. That the Council calls for a full financial evaluation of the costs of this judgement, including legal cost, potential claims for damages and the costs of rerunning the tender process."

6. Leader's Executive Scheme of Delegation

In accordance with Cabinet Procedure Rule 1.2, the Council is invited to receive the Leader's Executive Scheme of Delegation (Item 6) (**Pages 43 to 60**) and note the following amendments relating to the Terms of Reference for Procurement and Commissioning which have been made since the Scheme was reported to the June meeting of the Council:

- (a) the membership requirement has been amended to a minimum of three and the quorum being amended to reflect this;
- (b) removing a duplication under the 'Functions' section and adding headings for clarity; and
- (c) unify with the Key Decision Limit the authorisation levels at which officers and Procurement and Commission can agree specifications, invite tenders and award contracts in the Procurement and Financial Scheme of Delegation.

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Meeting Attended: **Council**

Date of Meeting: 16 September 2015

Comments:.....

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