



Minutes of the meeting of the COMMUNITY AND HOUSING SCRUTINY COMMITTEE held on WEDNESDAY 14 NOVEMBER 2018 at 7.00 PM

**Present:** Councillor Ferrans (Chair)  
Councillors Ganatra, Geaney, Khan, Marklew, McDonald, Morris, Reilly and Wallis

**Officers:** M Kelleher (Service Director (Housing and Regeneration)), M Smith (Strategic Finance Business Partner (Housing and GEC)), E Nickless (Head of Homelessness Prevention and Housing Access), E Richardson (Overview and Scrutiny Officer)

**Also present:** 12 members of the public

#### **CH10 DECLARATIONS OF INTEREST**

Councillor Wallis advised that she was a tenant of Milton Keynes Council.

#### **CH11 MINUTES**

RESOLVED –

That the Minutes of the meeting of the Community and Housing Scrutiny Committee held on 25 July 2018 be agreed and signed by the Chair as a correct record.

#### **CH12 HOUSING MIX DATA**

The Committee discussed the Housing Mix Data provided to the meeting with the Service Director (Housing and Regeneration) and with those members of the public present at the meeting. noting that:

- (a) “Social Rent” was a statutory term defined by the Government with guideline target rents which were determined through the national rent regime;
- (b) The planned new council housing stock would be let at social rent levels;
- (c) It needed to be made clear to tenants that there was a difference between “social” and “council” rents;
- (d) The size of a property, its rateable value and the level of local private rents affected the rate at which social rents were charged and these could vary between local authorities;

- (e) There were 188 properties in Serpentine Court on social rents which were scheduled to be replaced as part of the regeneration of Serpentine Court. Due to the improved specifications for these properties, future rents would be higher than currently charged, although not significantly so;
- (f) The work to set the new rents had not yet been completed therefore the Service Director (Housing and Regeneration) was unable to advise what the new rents would be. He would rather be accurate and late with this information than give out incorrect information at this stage;
- (g) The recent ballot of Serpentine Court residents on regeneration plans would only trigger the next stage of the process. It was unlikely that any plans would be presented for planning permission before the summer of 2019. The Service Director (Housing and Regeneration) confirmed that the plans would be consulted on before presentation to Cabinet.

The Committee requested that it be provided with information on the legal and statutory definitions of social rent, council house rent, the local differential between council house and housing association rents, the average council house rent in Milton Keynes and an explanation of how rents are calculated, together with information on the level of rent the Council was charging for those houses it had recently bought on the open market and/or built as part of its housing stock.

The Committee also expressed its concern that developers were not hitting the housing provision requirements set out in the latest version of the Strategic Housing Market Assessment (SHMA) in that too many dwellings were being provided in some categories and too few in others.

#### RESOLVED -

1. That the Service Director (Housing and Regeneration) be thanked for his contribution to the Committee's consideration of this item.
2. That the Service Director (Housing and Regeneration) be asked to supply the Committee, regeneration steering groups and residents' associations with a paper which sets out the legal and statutory definitions of social rent, council house rent, the local differential between council house and housing association rents, the average council house rent in Milton Keynes and an explanation of how rents are calculated.
3. That the Service Director (Housing and Regeneration) be asked to supply the Committee, regeneration steering groups and residents' associations with information on the level of rent the Council is charging for those houses it has recently bought on the open market and/or built as part of its housing stock.

4. That the Briefing Note on Housing Need in Milton Keynes (Agenda Item 5b) be received and noted.
5. That the Council's Planning Department be advised of the Committee's concern that developers were not hitting the housing provision requirements set out in the latest version of the Strategic Housing Market Assessment (SHMA) in that too many dwellings were being provided in some categories and too few in others.

## **CH13**

### **A NEW HOUSING STRATEGY FOR MILTON KEYNES**

The Committee had received a Briefing Note from the Service Director (Housing and Regeneration) about the consultation on the new Housing Strategy which had taken place during the later summer/autumn of 2018, setting out the responses received by the Council.

It was planned to take a report on the consultation and the new strategy to Cabinet in January. The Service Director (Housing and Regeneration) confirmed that he would circulate the draft strategy to the Committee once it was ready.

Although normal Council procedures had been followed, the response to the consultation had been very poor. Concern was expressed that the consultation had only been available on-line, and about the impossibility of basing a new strategy on only 18 responses. The Service Director (Housing and Regeneration) agreed that the response had been very poor and that he would have liked to have seen many more comments. This strategy was about more than just council tenants; it was also about the general housing market locally. There had been no response from any of the local housing associations, or the Homes England agency.

The Committee discussed the possibility of extending the deadline to allow for further responses to the consultation. The Service Director (Housing and Community) agreed that in principle he had no objection to an extension, but it was not his decision to make and he would discuss this with the Cabinet. However, he would like to see the new strategy in place by 1 April 2019 in order to fit in with the 2019/20 budget.

The Service Director (Housing and Regeneration) agreed that once in place the new Housing Strategy would be continually reviewed, with a formal, annual review each year.

The Housing Service was already in discussions with residents on how to extend the engagement process across a range of issues, so that it was relevant and meaningful. Residents who were present at the meeting commented that the Council needed to do better in running resident led consultations; the process needed to be improved so that it worked.

The Service Director (Housing and Regeneration) agreed that the current consultation process was poor. Homes England provided a

regulatory framework for engaging with tenants which he would like to adopt. He wanted to change the way engagement happened and two new council officers and a Team Leader had been appointed to work on delivering an improved and effective engagement process for council tenants.

Some of the residents in attendance expressed concern at the lack of choice they were being offered. There was a feeling amongst residents that even if they tried to engage with the Council in a positive fashion they would be ignored so why bother?

The Committee was of the view that the strategy was important to the future of Milton Keynes. However it did not think that the Council's consultation process was at fault as other consultations received plenty of responses. The Committee thought that the subject had not been publicised well enough or in a way that encouraged the residents of Milton Keynes to respond. The Committee suggested that the Cabinet Member for Housing and Regeneration considered re-running the consultation, particularly as the Cabinet's aim was to "think differently, be smarter and work together". The Committee considered that at the present time it could not recommend colleagues at full Council supported the strategy.

The Committee commented that it would like the opportunity to consider the revised draft strategy, although this might depend on when the Committee was scheduled to meet. There was a need for the Council to be proactive and develop as an up to date strategy as possible and the Committee felt that another couple of months delay would not make a difference if it meant that the strategy was fit for purpose.

The Committee then discussed the lifting of the cap on local authority borrowing against assets in Housing Revenue Accounts (HRA) to facilitate the building of more council housing and noted that:

- (a) The original draft of the new Housing Strategy had been prepared before the lifting of the cap had been announced and this change would be reflected in subsequent versions;
- (b) The Council had plans to build 630 new homes as well as continuing to buy suitable properties on the open market and would also be putting in a bid to the Government for further funding support;
- (c) The Council was now looking at how it could provide even more council homes but did not yet know how many as the precise details of what the lifting of the cap would actually mean for local authorities was still unclear.

RESOLVED –

1. That officer colleagues from the Housing Service be thanked for their contribution to the Committee's discussion of this item.

2. That the new Housing Strategy be revised to take account of the Government's intention to lift the debt cap, which limited a local authority's ability to build new houses, which has been announced since the first draft of the Strategy was prepared.
3. That the consultation on the strategy be extended and reconsidered in order to increase response from residents.
4. That the Strategy includes plans to meet the deficit in the supply of the right type of homes and the requirements identified in the Strategic Housing Market Assessment.
5. That the Strategy includes policies which ensure that "truly affordable" homes are built for the residents of Milton Keynes.

## **CH14**

### **HOUSING REVENUE ACCOUNT BUSINESS PLAN**

The Service Director (Housing and Regeneration) advised the Committee that there had been problems with the initial engagement with council tenants about the draft Housing Revenue Account (HRA) Business Plan. A letter explaining the need for the Business Plan and detailing how to respond to the consultation should have been sent to every council owned dwelling (11,500) in Milton Keynes. However, only 2,500 were actually sent out, therefore the consultation period was extended, the letters resent and extra meetings with tenants organised.

The response to this consultation had also been at the lower end of the expected rate of return (7-12%). The Service Director (Housing and Regeneration) said that the anticipated response rate for a consultation of this nature would have been in the region of 1000 residents. In the event 594 completed responses were returned.

Council residents who were present suggested that consultations with tenants worked best when they were carried out during the summer as a lot of local engagement could be carried out at carnivals, fetes etc. Many people, particularly the elderly and vulnerable, did not like going out when it was dark in the evenings. Residents' Associations and Parish Councils did a lot of work on behalf of the Council and this should be a mutual, two way process.

The Service Director (Housing and Regeneration) advised that the industry standard recommended September as the optimum time to carry out consultations but he was happy to discuss alternatives if this was not working.

The consultation was designed to identify the priorities of council tenants and leaseholders so that future works to improve the Council's housing stock met their needs. The final version of the Business Plan would be built round the delivery of those priorities. The Committee expressed its concern that 23% of the Council's housing stock was still below the Decent Homes Standard. It recommended that the first priority of the Business Plan should be to bring all its properties up to this standard before spending future receipts on other projects. It was suggested that the proposals in the

Business Plan should, perhaps, have been based on the results of the recent stock condition survey rather than a residents' wish list.

The Committee expressed concern as to whether, as discussed at its previous meeting, Mears could deliver the proposed £40m of works each year. The Service Director (Housing and Regeneration) confirmed that Mears was now geared up to deliver £30m pa of work. He went on to explain that the paper that had gone to Cabinet in July had taken everything into account, including the need to meet the Decent Homes Standard and the results of the stock condition survey, identifying a £630m surplus in the HRA to cover these improvements. There was a 5 year investment plan to cover all the Decent Homes Standards priorities identified in the Stock Condition Survey. This still left a surplus to spend on other priorities.

During further questions the Committee also noted that:

- (a) Serpentine Court was included in the 5 year improvement plan;
- (b) Under the law and as part of tenancy agreements the HRA had to be used to invest in both maintenance and other services for direct tenants and council leaseholders;
- (c) Services such as litter picking, grass cutting etc were paid for from the General Fund (ie Council Tax) which was standard across the Borough;
- (d) Pest Control for council properties was not paid for from the General Fund as it was a landlord responsibility. However, the Council, as landlord, was not obliged to tackle the source but was required to make sure that houses were safe and secure in order to prevent pests getting in in the first place;
- (e) The Council did not provide a pest control service to HMO landlords;
- (f) Litter was identified by those who responded to the consultation as a priority, but there was insufficient allocation within the General Fund to do any extra litter clearing, although it was possible for the HRA to cover this if council tenants wanted a litter picking top up on the standard service as it was not fair to expect the General Fund to subsidise top up work on Council estates;
- (g) The Council was currently working on an assessment of what land remained in the HRA and which land had already been passed to the General Fund; the Committee would be updated once this was complete.

RESOLVED –

1. That officer colleagues from the Housing Service be thanked for their contribution to the Committee's discussion of this item.
2. That a target figure for bringing council houses in Milton Keynes up to the Decent Homes Standard in the next five years be included in the new Housing Revenue Account Business Plan.

## **CH15**

### **UPDATED WORK PROGRAMME 2018/19**

The Committee discussed proposals for future, effective scrutiny of the Council's Regeneration Programme. In the short term this included the establishment of a one-off working group to look at the issues and analyse what had gone wrong with the various residents' groups and to start to re-establish trust in the process between all parties.

The Committee felt that there had been a lack of oversight, possibly due to a lack of resources and a meeting structure into which a topic as big as regeneration fitted. Both the Council and residents wanted the process to be a success and a positive experience for all involved.

The Committee's Planning Group (Chair and Vice-Chairs) would work up a proposal on scrutiny of the regeneration process to put to the Scrutiny Management Committee at its meeting on 21 November 2018.

Other future work programme items included the possibility of a Task and Finish Group on Housing Mix in 2019/20 as this was too big an item for a regular meeting and that, due to the scheduling of meetings of the Community and Housing Scrutiny Committee and the Budget and Resources Scrutiny Committee, scrutiny of the draft 2019/20 HRA budget be passed back to the Budget and Resources Scrutiny Committee which was meeting on 11 December 2018.

**RESOLVED –**

1. That the Scrutiny Management Committee be requested to establish a standing Sub-Committee / Working Group to provide dedicated and regular scrutiny of the Council's Regeneration Programme with its first meeting in December so that its recommendations can be fed into the meeting of the Cabinet Regeneration Sub-Committee scheduled to meet on 12 December 2018 before the work starts on the next tranche of estates.
2. That scrutiny of the Housing Mix in Milton Keynes, how this is decided, planned for and whether it meets the needs of local residents, be deferred to the Committee's 2019/20 Work Programme.
3. That the Budget and Resources Scrutiny Committee be requested to take back scrutiny of the 2019/20 draft Housing Revenue Account budget for consideration at its meeting scheduled for 11 December 2018 as the Community and Housing Scrutiny Committee does not have a suitable meeting at which this can be discussed.

## **CH16**

### **USE OF THE GAMBLING PREMIUM**

The Committee received a Briefing Note on the Gambling Premium setting out how monies received from the premium had been

allocated. It was also noted that gambling addiction was considered by the Government to be a Public Health issue and that, therefore, consideration of how the premium was used to support those with such an addiction should be scrutinised by the Health and Adult Social Care Committee.

RESOLVED –

That the Community and Housing Committee receives and notes the Briefing Note on the use of the Gambling Premium from Aspers Casino and that, as gambling addiction is considered to be a public health issue use of the Premium will be scrutinised by the Health and Adult Social Care Committee at its meeting scheduled for 19 February 2019.

**CH17**

**GRENPELL TOWER SILENT WALK OF REMEMBRANCE**

The Committee were advised that on the 14<sup>th</sup> of every month a Silent Walk was held in London in memory of those who died in the Grenfell Tower Fire.

RESOLVED –

That, as a mark of solidarity, the Committee sends its support to those participating in the Silent Walk in remembrance of those who died in the Grenfell Tower Fire which takes place on 14<sup>th</sup> of every month.

THE CHAIR CLOSED THE MEETING AT 21:30