

## Annex B (Part B)

# Response to Budget & Resources Scrutiny Committee Recommendations (January 2023 Report)

I would like to thank the Budget and Resources Scrutiny Committee for the hours they have put into this review.

I have set out our responses to their recommendations below:

### Cabinet Response to January 2023 Report

#### Housing

1. That the Council looks at ways in which income streams within the Housing Revenue Account (HRA), such as additional service charges, could be optimised, but without causing undue pressure on tenants who may already be in financial difficulties.

**Response:** Agreed. This is consistent with the approach that we have adopted and intend to follow

2. That the Committee commends the Council's policy of fully recovering service charges and welcomes the proposed involvement of tenants in a review of the service charges applicable within the HRA.

**Response:** Noted.

3. That as rental garages are not subject to the 7% cap on social housing rents, the Committee is surprised by the decision to only increase these by 7%. However, the Committee acknowledges that garage rents need to be set at rate which the market will bear, noting that the 7% is currently below the cost of living rate.

**Response:** Noted. The proposed increase is in line with changes to rents and we will be undertaking a comprehensive review of all our garages, which will also help to inform future decisions on charging.

4. That the Committee welcomes the proposed review of the Council's stock of rental garages and hopes that this will lead to them being managed and marketed in a more commercially responsive manner, reduce the number of voids and improve the income stream from this source.

**Response:** Noted.

5. That the Committee supports the use of the £100k Working Tenant Support Fund to assist working tenants not entitled to assistance with rental costs to manage financial crises during the current cost of living squeeze.

**Response:** Noted.

6. That despite the current, difficult circumstances, the Council keeps the HRA under constant review so that it can maximise investment potential within the HRA as and when conditions are favourable.

**Response:** Agreed. The HRA will be subject to a rolling quarterly business plan refresh to ensure that spending decisions are both affordable, meet our tenant priorities and deliver good value.

7. That in order to encourage more private sector landlords to work with the Council in the provision of suitable accommodation for the homeless, the Council continues to return private sector rental properties to landlords in good condition, developing a positive reputation for its care of the private sector properties it uses.

**Response:** Agreed. The Council where it uses private rented accommodation for homeless families works to appropriate standards, including when properties are returned at the end of the lease term.

## **Adult Services**

8. That the Cabinet member for Adults, Housing and Healthy Communities reviews the current level of spending on residential care placements and explores alternative forms of care for those vulnerable and elderly residents who may need additional support from the Council.

**Response:** Noted. Adult Services residential care placement rates are currently below the England average for older people and meeting the MKCC performance indicator. Adult services always explores home support and community options such as extra care before agreeing residential placements. However given the demographic growth in MK of the older population, particularly those over 85 and the associated rise in dementia, which is the highest nationally, it is inevitable that some older people need to be cared for in residential and nursing care. There is a lack of supply of residential care beds in MK, and a large

number of available beds are being used as step down from the hospital which has led to an increase in costs. We continue to work with providers to plan to increase provision in MK to meet the inevitable increase in demand for this type of care.

## **Capital Programme**

8. That the Committee is seriously concerned about the estimated costs of the Milton Keynes East developments and remains unconvinced that the projected uplift in the tariff will be sufficient to cover any increases in costs and the danger this poses to the Capital Programme budget.

Therefore, as a matter of urgency, the Committee seeks clarification as to the extent of the Council's liability for any increased costs and that the measures are in place to manage this risk appropriately.

**Response:** Agreed. The procurement process for the works are still in progress, but once this has reached a conclusion we will provide an update on any additional liability to MKCC and how this will be addressed.

9. That the Committee supports the Cabinet in its efforts to access funds from any available source, including writing to the MPs for Milton Keynes requesting their help in obtaining further government funding for local infrastructure works, particularly in light of recent comments by the MPs on the need to invest in good infrastructure works before the development of new areas can begin.

**Response:** Agreed

10. That measures are put in place to strengthen the understanding by council departments, and parish councils, of the benefits of claiming s106 money and any other funding streams, to support appropriate projects which they might not otherwise be able to afford.

**Response:** Noted. S106 funding is secured through the planning process to deliver projects and initiatives, without which the development would be considered unacceptable. Consultees, including parish councils and internal departments, have the opportunity to flag the need for a project or funding as part of the consultation on the planning application and would be required to spend any s106 monies in accordance with the s106 legal agreement.

11. That the relevant Cabinet member and the Housing Delivery Team note the lessons learned in hindsight in response to the issues raised by the conversion of The Laurels into three separate dwellings, so as to ensure the same mistakes are not made if any such conversions are proposed in the future.

**Response:** Agreed

## General

12. That the Bereavement Services Team continues to ensure that Milton Keynes City Council remains committed to offering a diverse range of burial and cremation options for the multicultural demographic of Milton Keynes.

**Response:** Agreed

13. That while the Committee supports the Council's Apprenticeship Programme, it has concerns as to whether there will be sufficient suitable jobs available for apprentices to move into once they have completed their apprenticeship.

The Committee was disappointed to note that one of the posts removed as a result of the role rationalisation process was an apprenticeship post and would urge the Council to use the apprenticeship programme to encourage more young people to join and make their careers with the Council.

**Response:** Noted and agreed. The Council remains committed to apprentices and ensuring entry paths of all types and progression are embedded in its structure.

14. That the Council makes every effort to encourage those officers benefitting from continued professional development through the Planning Academy to continue to work in a planning role at the Council, providing a return on the Council's investment in them.

**Response:** Agreed. The Planning Academy is an important first step for some of our new planners at the City Council. The graduates who form the Planning Academy are working towards a planning qualification and membership of the RTPI. These are key attributes that we would look for in senior planners. Likewise, the opportunity of working in one of the fastest growing cities in the UK, is very attractive to ambitious planners.

15. That the Council remains aware that there is a limit as to how many jobs can be cut before service delivery is affected.

**Response:** Noted: The Councils priority remains to protect services for our residents and any decisions to reduce staffing roles are carefully considered in this context and balanced with the need to ensure that we can set a robust budget.

## **Scrutiny**

16. That the Scrutiny Management Committee be asked to include detailed scrutiny of how well the Integrated Environmental Services Contract is performing in the 2023/24 Scrutiny Work Programme.
17. That the Committee urges the relevant scrutiny committees to consider reviewing the changes to staffing structures proposed in the draft budget for both Adult and Children's Services during 2023/24 to ensure service delivery is being maintained.
18. That the relevant Scrutiny Committee be asked to consider reviewing bereavement services provided to ethnic and cultural minorities following concerns which were raised with the Budget & Resources Scrutiny Committee during the January Challenge meetings.