

MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)

Board Meeting

12th April 2021

14:00 – 17:00

Video Conference via MS Teams

Board Members Present:

Michael Bracey, Chief Executive MKC, (MB)
Nicola Sawford, Independent Chair, (NS)
Bernadette Conroy, Independent Board Member, (BC)
Huw Lewis, Independent Board Member, (HL)
Steve Mallen, Independent Board Member, (SM)
Roger Bell, Independent Board Member, (RB)
Cllr Rob Middleton, (RM)
Cllr Jenni Ferrans, (JF)
Cllr David Hopkins, (DH)

In Attendance:

Tracey Aldworth, Managing Director MKDP, (TA)
Mike Clarke, Independent Committee Member, (MC)
Matthew Green, MKDP, Property Development Director, (MG)
Tim Roxburgh, MKDP, Special Projects Director, (TR)
Gavin Gager, MKDP, Chief Financial Officer, (GG)
Ellenor Scott, Trainee Solicitor, MKC, (ES)
Allison Pettifer, MKDP, Secretary to the Board, (AP)

Item		Action
1	Apologies:	
	None	
2	Declarations of Interest:	
	<p>Cllr David Hopkins declared an interest in item 4.1 in that he owns land in Wavendon adjacent to the SLA (Church Farm) proposed development onto which MKDP controls a so-called access ransom strip in Wavendon Gate. Details are included in the published declarations of interest with the monitoring MKDP officer.</p> <p>There were no other declarations of interests.</p>	
	<p>Presentation by First Base: Presentation on proposals for Saxon Court, MK Gateway scheme. Presentation made by Liam Ronan-Chlond, Steve Eccles, Ivan Harbour, Andrew Partridge.</p> <p>Questions from the Board covered the following matters: consultation; tenure mix of affordable housing; orientation of the building; wind engineering; car parking.</p> <p>Following the questions and answer session, the First Base team left the meeting.</p>	
3	Previous Board Minutes:	
3.1	25.01.21 - The minutes of the meeting were approved subject to amending minute 7.2 to reflect in more detail the recommendation.	GG/AP

3.2	<p>22.02.21 – The minutes of the meeting were approved subject to an amendment to the declaration of interest made by Cllr David Hopkins.</p> <p>Matters Arising/Actions: Skills Assessment: The results are being reviewed and will feed into the governance review of the LHC. Delegations: Managing Director delegation to be taken to Finance Audit & Governance subcommittee.</p> <p>Future Board Meetings: The Chair advised the Board that a survey will be circulated to get a view on the approach for the longer-term meetings.</p>	<p>GG</p> <p>NS/BC</p> <p>GG/ES</p> <p>NS</p>
MATTERS FOR DISCUSSION & APPROVAL		
4	Finance:	
4.1	<p>2021/22 Draft Budget: For the Board to make an informed financial decision given several unknowns, a budget range of Low, Medium and High Impact assessment of Covid19 was presented. The Medium-Term Impact budget has the support from Finance Audit & Governance subcommittee. The budget is a strategic budget to ensure MKDP meets its objectives. The report highlighted the opportunities to make savings (levers) in the event COVID19 impacts in line with high impact modelling. The 3 key levers are: repayment of the loan; expenditure on CMK projects; recruitment.</p> <p>Cashflow Forecast: Board were advised that the dividend payment to MKC is not included in the forecast. This will be tabled at the next FAGsc in May. A full history of the dividend will be brought to this meeting.</p> <p>The Board made the following comments and requests on the proposed annual budget for 2021/22.</p> <ul style="list-style-type: none"> • Remove the disposal of Wavendon Gate on both the P&L, Balance Sheet and cashflow forecasts due to the uncertainty of delivery timeframe. • Board acknowledged the progression of the LHC was not to be restricted to the approved budget with the Board also acknowledging further spend may be required in the latter half of 2021/22. • Local Housing Company to be a separate workstream with a budget allocation. • Members of the Board agreed continued retention of the loan should be scrutinised as part of the business strategy to reduce the annual interest obligation. <p>Considering the above points, the Board approved</p> <ol style="list-style-type: none"> 1. The medium term budget. 2. Project spend on 3 capital projects - CMK Market; Pineham: Walton Roundabout. 	<p>GG</p> <p>GG</p>
4.2	<p>Finance Report: The Board noted the financial performance for the financial year 2020/21. In the financial year MKDP exceeded the medium impact Covid19 modelling on both operational performance and capital disposals.</p> <p>The Board noted that the final red book valuation report will be provided for consideration at the next Finance Audit & Governance meeting.</p>	

	<p>Although the red book valuation has not been finalised the Executive are supportive of the valuation on the evidence received to date. The Board were advised that the red book valuation this year does not carry a Covid, material uncertainty warning caveat, as per last year.</p>	
5	Property Matters:	
5.1	<p>Campbell Park Northside: The Board approved Urban Splash' high level parameter and layout plans for the site. The plans are to be appended to the contract and will form the basis of future stakeholder engagement and planning applications.</p> <p>Board were advised that the contract provides security that if the scheme is not delivered MKDP will take the site back. While US obligations relate to delivering the whole site, building leases will only be provided for each parcel after completion of the previous phase.</p>	
6	Governance Matters:	
6.1	<p>H&S and Preventative Risk Management: The Board received a summary of the H&S actions undertaken in the calendar year 2020. The mitigating actions taken have been supported by the Finance Audit & Governance subcommittee. The Board noted the risk mitigating actions undertaken.</p> <p>Board were informed of items that are to be presented to the next Finance Audit & Governance meeting</p> <ul style="list-style-type: none"> • New PPI schedule • Health & Safety clauses in tenant lease • Draft risk assessment / register <p>Landlord Responsibilities:</p> <p>Westbury Farm: MKDP have completed the immediate H&S inspections on gas and fire regulations and these are now all complete and compliant. The matter of transferring the asset is still to be resolved.</p> <p>Old Bus Station: MKDP Insurers retain responsibility for the on-going inspection of the lifts. Our Insurers appointed an independent assessor who has confirmed MKDP is complaint.</p> <p>Bouverie House: MKDP Insurers retain responsibility for the on-going inspection of the lifts. Our Insurers appointed an independent assessor who has confirmed MKDP is complaint.</p> <p>Comments received for future reporting</p> <ul style="list-style-type: none"> • Breakdown graph of each priority • Assurance item - Executive to report all actions from regulatory inspections 	
6.2	<p>Strategy & Business Plan: Board Members were advised that the Executive continue working on the document and recommendations that clearly sets out the current context of 4 themes of the Business plan – LHC; Placemaking; Property/Financing & Governance; Organisational Efficiency. The plan will include timelines, resource implications and KPI's. The Strategy and Business plan will be presented at the May Board meeting. Board noted the update.</p>	

7	Local Housing Company Update: Board noted the current position whilst MKC continue with their due diligence on the business case proposal. The workplan to be included in future updates.	GG
8	<p>R:CMK - Open Market Update: Board approved the principle of splitting the planning application to allow delivery of the creative units in isolation. Ultimate capital investment will be subject to future Board approval.</p> <p>Comments noted:</p> <ul style="list-style-type: none"> • Potential S106 requirements noted, but Board felt that there is public benefit in the market which could be offset against contributions. • Splitting the application may increase costs however, there are likely to be increased costs as a result of responding to consultation issues. As referenced in the paper, it is believed that costs can be covered within the existing budgetary allowance overall, although there may be variances in terms of specific budgetary components. 	
9	<p>Managing Director's Report: The Board noted the update on several key activities.</p> <p>Activity Tracker: To be circulated before each meeting for information/ awareness.</p> <p>Communications update: To be completed by the end of May</p> <p>Internal Audit Report: To be reported to the next Finance Audit & Governance subcommittee meeting</p> <p>Bletchley - Revolving Development Fund: Further details to be reported to Property Projects & Investment subcommittee in due course</p>	
10	<p>AOB:</p> <p>Board Member only session: The Executive were asked to leave the meeting for this item: The following items were to be discussed</p> <ul style="list-style-type: none"> i) Minutes from Remuneration & Nominations sub Committee – 15.3.21, 19.3.21, 6.4.21 ii) Personnel matters 	
	<p>NEXT MEETINGS:</p> <p>24th May 2021, 10:30 – 12:30, MS Teams</p> <p>5th July 2021, 10:30 – 12:30, TBC</p>	

Confirmed as a true record of the meeting of the Board held on 12th April 2021 and published in accordance with the Freedom of Information Act 2000.

Nicola Sawford

.....
Independent Chair