

MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)
Extract from Minutes of the Board Meeting dated 24.05.21
starting at 10:00 am
This meeting was held 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, MKDP, Managing Director (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:	
	No new declarations were received.	
3	Previous Board Minutes:	
	The minutes of the meeting held on the 12.4.21 were approved. Matters arising/Update on Actions: Skills assessment – Ongoing and ties in with the Governance review and LHC. Likely to be brought back to Board in September. Delegations: The MD delegations remain outstanding due to missing Noms & Rems minutes. To be tabled at the next FAG meeting Local Housing Company: Work plan to be included in all future updates for Board.	GG/ES GG
MATTERS FOR DISCUSSION & APPROVAL		
4	MKDP Strategy	
	The Executive provided an overview of the first draft strategy document following the workshop held in March. The 4 priorities of the strategy are: <ul style="list-style-type: none"> • Local Housing Company • Placemaking • Property & Financing • Governance & Organisation Efficiency Further work is necessary in terms of the governance and organisation efficiency.	

	<p>TA advised the Board that by September 2021 the Business Plan will have set out:-</p> <ul style="list-style-type: none"> • Mechanisms ranging from the Members Agreement through to delegations, to ensure a strong control framework is in place. • Performance monitoring and delivery targets. • Engagement & Relationships: A strategy for key stakeholder; partners; major landowners and developers. • Integration of the LHC with MKDP skills set and with funding scenarios. <p>Several comments were made by Board that covered: Affordable Housing; Achievability of project milestones; Transport modelling; Governance: Core priorities; Performance management; MKDP core business proposition – investment and income generation; Resourcing; Alignment of strategic objectives.</p> <p>One particular action was regarding the statement on affordable housing; ‘Phase 3 - MKDP central 100% affordable ie PRS scheme’. The Chair requested a note to explain the assumptions and that it be noted as work in progress.</p> <p>The Chair requested:</p> <ul style="list-style-type: none"> • Further detailed comments to be addressed offline to the Executive team. • A revised draft be circulated before the next Board meeting in July to ensure continued involvement. <p>The Chair complemented the team on a good piece of work and summarised the key points made for how the strategy needs to develop:- bring together the separate works streams; state what we want to look like and how the strategy will take us there; address concerns around resource and risk; be clear what the trade-offs are and include where and how MKDP interacts with MKC.</p>	GG
5	Finance Matters:	
5.1	<p>Finance Report: Board received the financial position for the year 2020/21. In summary, MKDP exceeded the medium-term impact modelling on both operational performance and capital disposals. Future budgets will track gains/losses versus red book valuation and not original value as in the past.</p> <p>Declarations of Interest: The CFO advised the Board that the DOI’s had been reviewed and signed off.</p> <p>Waivers: A pragmatic approach has seen a significant reduction in waivers to what has previously been reported. Waivers have been reviewed by FAGsc.</p> <p>External Audit: MKDP are in the process of being audited (2020/21). The Audit has paused and is waiting for the pensions report but is still on track.</p>	
5.2	<p>Dividend Payment: The Board approved with a unanimous vote the request from MKC to pay the dividend payment as set out in the March 2020 Business plan.</p>	
5.3	<p>Redbook Valuation: The Board noted the portfolio value which reflects a marginal increase of 4%. Board were also advised that the valuation is no longer underpinned by RICS’ qualification on commercial land or residential development. The valuation is to be included within the Annual Accounts and Financial Statements.</p>	

6	Property Matters:	
	<p>D4.4 (Wyevale): Due to planning delays and increases in construction costs the scheme now requires revised Investment Committee approval from the Funders. Their Investment Committee gave approval, with the condition of securing a bank debt against the project. It is likely that the Funders will secure the bank debt, but it will be c2/3 months until it is confirmed. The Developers have requested some extra time to secure alternate funding if needed. PPIsc were supportive of the request and the heads of terms have been updated to include a period for an Agreement for Lease of 12 months.</p> <p>The Heads of Terms were approved subject to a tightening of the User restriction for the ground floor uses to commercial.</p> <p>The response to the question on the amount of PRS in CMK was that, at the start of the project, professionally managed PRS was desirable. Future PRS provision in CMK will be reviewed.</p>	MG
7	Local Housing Company Update:	
	<p>Partnership deals are progressing: Good interest has been received on Kents Hill and tenders are expected by 28.5.21. Developers appear to be happy with the modelling put forward in terms of Partnerships. Tickford Field Farm: 17 stage 1 bids have been received; Campbell park Northside: Legals are progressing with Urban Splash; Walton: delayed due to the roundabout design which needs to be resolved before MKDP can go to the market.</p> <p>Scrutiny: MKC due diligence moving forward. MKDP continue to support MKC.</p> <p>Board were advised that there are options on all sites and the risk is being managed. Kents Hill: If MKDP are not able to take the affordable, MKDP can pass on/sell to another RP. Campbell Park Northside: Pure option agreement, ie MKDP can decided later whether to take them or not. TFF: The Council will take all the affordable if the LHC is not in a position to do so.</p>	
8	Recruitment Update:	
	<p>Chief Financial Officer Recruitment. An offer to Kathleen Corbett has been made and accepted. Kathleen has Finance and Local Housing Company experience. She joins MKDP in July working 4 days a week.</p> <p>LHC Project Executive: This role profile is being reviewed to ensure the role has the required skills to complement Kathleen's experience.</p> <p>Assistant Development Executive Placemaking: An offer has been made and it is hoped that Harpriya Chaggar will join the team in July.</p> <p>Retirement: Kevin Monkton will be retiring at the end of July. The position is being revisited now that some of the activities have/are being transferred to MKC.</p>	
9	MKDP Corporate Dashboard:	
	Board noted the dashboard which will be shared on a quarterly basis. The RAG status to be reviewed where project resources are changing to reflect any adjustment required as a result of resource input not matching availability.	

10	AOB	
10.1	B3.3N Update: Discussions are ongoing with Moda and Sterling and a proposal will come to a future Board. In the interim, the Executive are holding them to the PPA timetable as directed by PPIsc.	
10.2	The Chair thanked Gavin Gager for his work on MKDP's Finances and with the LHC project and wished him well in his new role. The Chair of FAG also expressed his thanks.	
10.3	Agora Redevelopment: Board were advised that there was a change in timeframe, and it will now go to Cabinet in July. It is likely that a PPIsc or a special Board meeting will need to be convened to discuss the Agora further.	
	NEXT MEETINGS: 5 th July 2021, 10:30 - 12:30 16 th August 2021, 10:30 - 12:30 (subsequently cancelled) 27 th September 2021, 10:30 - 12:30 8 th November 2021, 10:30 -12:30 20 th December 2021, 10:30 - 12:30	

Confirmed as a true extract from the Minutes of the meeting of the Board held on 24th May 2021 and published in accordance with the Freedom of Information Act 2000.

Nicola Sawford

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Independent Chair