

## MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)

### Board Meeting

8<sup>th</sup> November 10:30 – 12:30

Civic Offices, Room 1.02

#### 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)  
Kath Corbett, MKDP, Chief Finance Officer, (KC)  
Ellenor Scott, Solicitor, MKC, (ES)  
Allison Pettifer, MKDP, Secretary to the Board, (AP)  
Iain Stephenson, MKDP, Development Executive, Placemaking  
Matthew Angus, MKDP, Development Manager, Placemaking  
Lisa Noall, MKDP, Property Manager  
Damien Lippett, Development Transactions Management Surveyor

Item		Action
<b>1</b>	<b>Apologies:</b>	
	None	
<b>2</b>	<b>Declarations of Interest:</b>	
	<ul style="list-style-type: none"><li>BC, HL, RB declared a conflict of interest for item 4.2 – Noms &amp; Rems. It was noted for the record that NS Chaired the subcommittee meeting.</li><li>Elected Member Conflicts: Interests are stated on the public register however it was confirmed that specific agenda items where there is a conflict should be declared when they arise.</li><li>RM declared an interest in item 6.3. RM is the Cabinet Member that will be taking the decision.</li></ul>	
<b>3</b>	<b>Previous Board Minutes:</b>	
	The minutes of the meeting held on the 27.9.21 were approved with no matters arising. All actions were confirmed as complete or form part of the agenda. Updates: Agora: The Heads of Terms will be presented to a future Board when concluded.	
<b>4</b>	<b>Sub Committee Minutes:</b>	
4.1	Finance Audit & Governance Minutes 10.9.21 and 22.10.21 were noted by the Board.	
4.2	Remuneration & Nominations Minutes 2.11.21. Review of Independent Board Member Tenures: NS chaired the meeting due to conflicts of interest declared by	

	<p>BC, subcommittee Chair and RB subcommittee member. The tenures for 3 Board Members expire within the next 3 months. The tenure for RB expires on 31/12/21 and BC and HL terms expire 31/1/22. The proposal to the Board is to approve an extension of terms by 6 months for BC, RB, and HL whilst establishment of the LHC progresses. Tenures/terms will be revisited next year following the decision on the LHC.</p> <p>It was confirmed that the meeting was quorate, and that the decision could go ahead. Board approved the recommendation.</p>	
<b>5</b>	<p><b>HR Matter: Introduction of New Members of the MKDP Team:</b> A brief introduction from the newly appointed members of the MKDP team was provided. The Board welcomed them to the team. One Placemaking position now remains to be filled, an Interim Finance Manager is expected to start on 15<sup>th</sup> November and recruitment to the LHC / Governance post will start in the new year</p>	
<b>6</b>	<p><b>Finance Matters:</b></p>	
6.1	<p>Finance Report: The financial performance for the half year ended 30.9.21 shows MKDP's operational performance is better than budget. The Board noted that there had not been any capital disposals or purchases to date and that the forecast on disposals remains as previously reported. Board was advised that 2 disposals are expected to complete in November.</p> <p>Operating profit: Total income is up on budget due to parking income performing better than expected. Total expenditure is down on budget due to timing of project costs for Renaissance:CMK, Station Square and an under spend on staff costs because of vacancies.</p> <p>The Board noted the details of the report. Board requested that future reporting includes a full year forecast column.</p>	<b>KC</b>
6.2	<p>Financial Accounts: The audit for year ended 31.3.21 is nearing completion. The main outstanding matters are</p> <ul style="list-style-type: none"> <li>• Investment Property valuations:</li> <li>• VAT control account reconciliation</li> <li>• Final accounting checks, letters and going concern checks</li> </ul> <p>The Auditors will be attending Board in December when the accounts will be signed. The annual accounts are to be lodged with Companies House by the 31.12.21 by Hillier Hopkins.</p> <p>The Board discussed the Strategic report contained in the Financial Accounts, specifically Board requested the Executive to review the sections regarding the Local Housing Company in the report to confirm the right balance had been struck.</p> <p>The Board provided several comments around the Risk section. In particular, Board had a detailed discussion around risk. It was agreed KC will redraft the section on risks and circulate a revised draft to Board prior to the next meeting.</p>	<b>KC</b>
6.3	<p>Loan Renewal: The current loan facility expires on the 10.11.21. The recommendation from Finance, Audit &amp; Governance was for the Board to approve</p>	

	<p>the full loan amount for the period 10.11.21 - 30.6.22 whilst the business strategy and business plan is concluded. The business plan will be presented to Board in December and is due to go before Cabinet early in the new year.</p> <p>The business plan will include detailed modelling of future cash requirements that will enable a more structured approach to future funding requirements.</p> <p>The Board approved the renewal of the loan facility and noted the proposal to move to a longer-term arrangement once the business plan is finalised.</p>	
6.4	<p>Waivers: Quarterly review. The Board noted the waivers log and concluded they were in line with previous submissions.</p>	
<b>7</b>	<b>Governance Matters:</b>	
7.1	<p>Revised Terms of Reference for Finance Audit &amp; Governance SC: The subcommittee was created in 2018 and one of the objectives was to improve the financial reporting. Finance reporting has consistently improved and will now go straight to Board. The proposal is therefore to refocus the subcommittee responsibilities as Risk, Audit and Governance. This will enable the subcommittee to take on additional responsibilities for Internal Audit and Risk Management reporting. The Board discussed the terms of reference and made the following comments:</p> <ul style="list-style-type: none"> <li>• Terms of Reference to be reviewed once the LHC is operational to ensure MKDP has appropriate oversight as the parent.</li> <li>• Policy authorisation: Long list of policies to be drafted signalling the level of authorisation, eg Board, RAGsc, MD and shared with Board Members.</li> </ul> <p>The terms of Reference for Risk, Audi &amp; Governance were approved subject to the above comments.</p> <p>The Board expressed their thanks to the Chair of FAG, the subcommittee members and KC on the improved Financial Reporting.</p>	<p>KC</p> <p>KC</p>
7.2	<p><b>Risk Management Policy &amp; Framework:</b> The Board received the draft Risk Management Policy for consideration following a review by FAGsc on the 22.10.21.</p> <p>The Board approved the risk management policy and the proposed approach to developing the underlying risk register. The Chair advised the intention is to hold a ‘risk appetite’ session, based on the strategy, for the Board next year.</p> <p>The Board also noted the proposal to review the policy, specifically the scoring methodology after the development of the risk register, no later than November 2022.</p>	
<b>8</b>	<b>LHC Update:</b>	
8.1	<p>KC provided the Board with a verbal update on the LHC. The Board were advised that a detailed report will be provided at the December Board meeting. In summary, the update covered matters relating to:</p> <p>Valuation data received on the first site; further advice is being requested to benchmark the financial structure used to lease the homes to the LHC to ensure it both provides best consideration from an MKDP perspective and value for money</p>	

	<p>from an LHC Board perspective; MKC's decision to appoint Trowers to set up the LHC; stages of the application (stage 1 = the application following approval of the business plan; stage 2 = policies for the LHC).</p> <p>The Board were advised that the Charities Objectives will be brought back to board. The Delegated Decision paper for MKC is being prepared.</p> <p>A working group to review the administrative processes was suggested and supported by Board. The configuration of the working group is to be decided.</p> <p>The delegation to appoint MKDP's Chair, NS, as the approver to set up the LHC was dealt with by e-mail after the board.</p>	<b>KC</b>
<b>9</b>	<b>R:CMK</b>	
9.1	<p>General Update: The Board noted the updates covering City Gateway (Station Square), CMK Market/MSBE and The Point.</p> <p>CMK Market: Designs for the signage will be emailed to the Board for comment. A paper on the future Management arrangements with recommendation will be presented to Board in December.</p> <p>It is proposed that papers are presented to PPlsc in January on MKC's evolving strategy for R:CMK and Delivery Approaches.</p> <p>The Executive were asked to consider the timing of work on Station Square and if possible, align it with the opening of Unity Place, Santander's new office building.</p>	<b>TR</b>  <b>TR</b>
9.2	<p>Food Court: The Board were appraised of the disposal of the former Food Centre site on Midsummer Boulevard. The executive confirmed that the costs and relative outcomes didn't justify an MKDP acquisition.</p> <p>The Chair asked the Executive to provide a brief note to the Board on MKDPs position on this.</p>	<b>TR</b>
9.3	<p>CMK Business Improvement District Ballot paper: The Board confirmed its continued support to the BID and authorised the Executive to vote Yes at the forthcoming referendum.</p>	
<b>10</b>	<b>Reports:</b>	
10.1	<p>Chair's Report: The Chair advised that she will be speaking at the Built Environment Conference on the Future of Town Centres &amp; the High Street. The event takes place on the 16/17 November at Stadium MK.</p> <p>Other activities have involved attending the opening of Bouverie House by MK:U and the Modernist Glade exhibition in Station Square. She also advised that she had met with the chair of BPHA and had discussed sustainability.</p>	
10.2	<p>MD's report: The Board noted the following matters: Staffing update that an Interim Finance Manager is due to start on the 15.11.21; that a summary of the key elements of the PR &amp; Comms plan will be presented to Board in December; progress continues with specification of the property management</p>	

	function; and in early 2022 more detailed information about the Bletchley Towns Deal projects that MKDP are progressing will be presented to Board.	
10.3	MKC Chief Executive's report: The Board were advised that the funding for MK:U requested in the spending review is not forthcoming. Cranfield University are keen to go ahead and are entering a period of reflection. The MKDP Executive were asked to consider alternatives for the site. Options to be presented to PPIsc in January 2022	<b>TR/MG</b>
<b>11</b>	<b>AOB</b>	
11.1	Homeless Shelter – Bus Station: Board were advised that terms, as proposed, had been agreed and works are progressing.	
11.2	December Board meeting: The meeting is to be held at Bouverie House and a tour of the facility is being arranged.	
	<b>NEXT MEETINGS:</b> 3 <sup>rd</sup> December 2021, 10:30 -13:00, Bouverie House 25 <sup>th</sup> January 2022, 10:30 - 12:30, Civic Office - Room 1.02 22 <sup>nd</sup> February 2022, 10:30 -12:30, Civic Office - Room 1.02 22 <sup>nd</sup> March 20221, 10:20 – 12:30, Civic Office - Room 1.02	

Confirmed as a true extract from the Minutes of the meeting of the Board held on 8<sup>th</sup> November 2021 and published in accordance with the Freedom of Information Act 2021.

**Nicola Sawford**

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Independent Chair