

MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)

Board Meeting

29.11.2022

10:30 – 12:30

Room 1.02 Civic/ MS Teams

Board Members Present:

Nicola Sawford, Independent Chair, (NS)
Roger Bell, Independent Board Member, (RB)
Mike Clarke, Independent Board Member, (MC)
Julia Gregory, Independent Board Member (JG)
Michael Bracey, Board Member, (MB)
Cllr Rob Middleton, (RM)
Cllr David Hopkins, (DH)
Cllr Jenni Ferrans, (JF)

In Attendance:

Tracey Aldworth, MKDP, Managing Director (TA)
Kath Corbett, MKDP, Chief Finance Officer, (KC)
Matthew Green, MKDP, Property Development Director, (MG)
Adam Sciberras, MKDP, Special Projects Director, (AS)
Ellenor Scott, MKDP, Company Secretary & General Counsel, (ES)
Allison Pettifer, MKDP, Secretary to the Board, (AP)

Item		Action
1	Apologies:	
	None	
2	Declarations of Interest:	
	Nicola Sawford is a Director of MKHC Roger Bell is a Director of MKHC Kathleen Corbett is the Lead Officer for MKHC Ellenor Scott is Company Secretary of MKHC Julia Gregory provided a list of interests which will be recorded on the Register.	
3	Previous Minutes	
3.1	Board Minutes – 30.09.22: The minutes of the meeting were approved. All actions were confirmed as complete. Board Minutes – 25.10.22. The minutes of the meeting were approved. Item 3 MKHC: The quoracy matter on the approval to share information with MKHC was confirmed as being resolved. All other actions were confirmed as completed.	
3.2	Risk Audit & Governance (RAG) Sub-Committee minutes 10.10.22: The Board noted the minutes. The Chair advised the Board that the matter of investing surplus cash was discussed and subsequently redundant due to the drop-in available interest rates. The CFO is therefore not required to follow up on the action point. The matter regarding insurance was approved by email.	
4	Finance Matters:	
4.1	The draft financial accounts to year end 31.03.22 were considered. Board Members were advised that the final accounts would be produced in Word for filing at companies house, with a glossy annual report for marketing purposes to follow.	

	<p>Before Hillier Hopkins joined the meeting, the CFO also informed the Board that the audit for the year ending 2022 is nearing completion.</p> <p>The Auditors, Hillier Hopkins, joined the meeting and went through the Draft Audit Findings Document. Hillier Hopkins advised MKDP could apply for a covid extension for filing the annual accounts whilst the last matters are finalised and signing of the accounts is arranged. The CFO advised that a delay would not impact on any regulatory approvals.</p> <p>Hillier Hopkins left the meeting.</p> <p>Resolutions:</p> <ul style="list-style-type: none"> - The Board AGREED to request from Companies House, a 3-month extension to filing the accounts. - The Board NOTED that the Executive would still aim to file the accounts before the 31.12.22. - The Board AGREED that an additional Risk, Audit and Governance Sub-Committee meeting would be held to consider the audit and accounts. Hillier Hopkins were asked to attend. <i>Post meeting Note: Meeting arranged for the 08/12/22.</i> <p>Other matters:</p> <ul style="list-style-type: none"> - Financial Statements: The Board were requested to send comments on the financial statement before the end of the week, i.e. 02/12/22. A version in word format will be circulated. - The glossy version will be pitched as a review of the year and will be directionally similar to the filed accounts. - It was suggested that the glossy version of the accounts is shared with Councillors via Councillor News to raise MKDP profile. - The draft full accounts will be circulated to the Board when available. 	<p style="text-align: center;">ES</p> <p style="text-align: center;">ALL</p>
<p>5</p>	<p>Milton Keynes Housing Company (MKHC):</p> <p>The focus has been on the submission of the application to the Regulator before the deadline of the 31.12.22 with the emphasis on 1 site, Kents Hill Park.</p> <p>The proposed structure for the first transaction, as set out in the Heads of Terms for the Agreement to Lease and the Loan Facility, is that MKDP will lease completed homes for Kents Hill to MKHC on a 150 year lease. This proposal is just for Kents Hill. Future sites that include shared ownership will require a longer lease to comply with Homes England grant conditions.</p> <p>The figures in the Heads of Terms for the Agreement for Lease and Loan will be used for the application, but it was noted that the lease premium was based on a valuation carried out at the end of July 2022 and it is possible because of recent volatility that the price will have changed.</p> <p>The submission to the Regulator will therefore be made on the basis MKDP will reprice the transaction as close as is practical to the time of signing using the market value of the homes. Trowers have confirmed the recommendations as drafted provide the Regulator with sufficient certainty that the homes will be with the RP in a reasonable amount of time without fixing the price at this current time.</p>	

	<p>The Board requested correction of anomalies within the papers are indicated within the minutes:</p> <ul style="list-style-type: none"> • Affordable rent at 80% per unit with the LHA Cap • HOT's to include reference to the LHA Cap • Building Control sign off to be included in the list of documentation • Kents Hill Park, rather than Kent Hill, to be reflected throughout documentation <p>The Board were asked to approve progressing the submission with the financials as presented, noting there would be further engagement in respect of the Kents Hill Park site and the valuations.</p> <p>Resolutions:</p> <ul style="list-style-type: none"> - The Board AGREED to support the submission by Milton Keynes Housing Company Ltd of their 2nd stage/Final Application to become a Registered Provider to the Regulator of Social Housing. This is also subject to Milton Keynes City Council supporting that the second stage application to the Regulator of Social Housing be made. - The Board APPROVED the Heads of Terms for the Agreement to Lease and the Loan Facility Agreement for Kents Hill as set out above save for of the Lease Premium Loan facility amount and Interest Rate which will come to a future Board meeting with a request for approval before entering into the final documents. - The Board NOTED that the numbers identified in the report were subject to further viability testing and scrutiny and that this would take place before March 2023 and be brought back to Board for approval. <p>NS and RB are conflicted. The approvals made were confirmed as quorate.</p>	
6	Reports:	
6.1	Chair's report: The Chair provided a brief update on activity since the last Board meeting. This covered attending various MKHC meetings and attendance at Court.	
6.2	<p>MD's Report: The report was taken as read.</p> <ul style="list-style-type: none"> • B3.3N - Feedback from Planning on the affordable element to make the scheme compliant has caused a pause in the submission of the application. • Business Plan refresh: Will be picked up again when the work on the Local Housing company has moved forward • Oracle Red Bull Event: Saturday 10th December celebrating their double Formula One Championship wins this season takes place in CMK. • Bletchley & Fenny Stratford Towns Deal Revolving Development Fund: The first meeting of the Investment Committee has been held to review the initial projects. MKCC take a delegated decision at the end of January 2023 following ratification of the proposals by the Town Deal Board. The Board Members were advised that the Brunel Centre reimbursement was not likely to be a cause for concern in respect of the valuation when this is ultimately transferred should not reflect a risk on valuation. • Reserved matters: An update is to be brought to the MKDP Board in February. 	

6.3	MKCC Chief Executive Report. The Board were advised that there were no matters to be brought to their attention.	
7	AOB: No matters arising	
8	Board Only Item: The MKDP Executive left the meeting.	
	<p>Staff Pay Award: The Nominations & Remunerations Sub-Committee recommended to the Board that the Local Government pay award should be applied to all MKDP employees. The pay award equated to a single rate payment of £1925 (backdated to 01.06.2022) and an extra day of annual leave (effective from 1 April 2023).</p> <p>Resolution: The Board APPROVED the pay award of £1,925 to all employees backdated to 01.06.2022 and the additional day of annual leave effective from 01.04.2023</p>	
	<p>NEXT MEETINGS: 24th January 2023: Room 1.01, 10:30 -13:30 28th February 2023: Room 1.02, 10:30 – 12:30</p>	

Confirmed as a true extract of the meeting of the Board held on 29th November 2022 and published in accordance with the Freedom of Information Act 2000.

Nicola Sawford

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Independent Chair