

**MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)**

**Board Meeting**

**14.12.2022**

**15:30 – 17:30**

**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)  
Richard Morris – Whistle Jacket – **Item 3 only**

<b>Item</b>		<b>Action</b>
<b>1</b>	<b>Apologies:</b>	
	None	
<b>2</b>	<b>Declarations of Interest:</b>	
	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  No further declarations were received.	
<b>3</b>	<b>City Positioning Presentation by Whistle Jacket</b>	
	Richard Morris (Whistle Jacket) joined the Board meeting to present the City Positioning work commissioned by MKCC.  The Board commented on the clean and clear messaging and were pleased to hear that organisations in Milton Keynes had already begun using the new marketing materials.	
<b>4</b>	<b>Previous Minutes</b>	
4.1	The Board approved the minutes from the 29 November 2022 Board Meeting.  The Board confirmed that all actions had been completed save for the following: <ul style="list-style-type: none"><li>- The glossy version will be pitched as a review of the year and will be directionally similar to the filed accounts.</li><li>- It was suggested that the glossy version of the accounts is shared with Councillors via Councillor News to raise MKDP profile.</li></ul>	

	It was agreed that these actions would be completed in 2023.	
<b>5</b>	<b>Finance Matters:</b>	
5.1	<p>Financial Statements</p> <p>The Board was reminded that RAG sub committee had already considered the accounts and that the Board had provided further comments by email.</p> <p>Board noted that some minor audit queries were outstanding and in the unlikely event that these led to material amendments, the accounts would be re-circulated for approval. <i>(Board noted that JG was not contactable over the Christmas period and therefore, her vote if needed was delegated to the Chair.)</i></p> <p>The Board were assured that MKDP would remain financially stable even if the completions failed, due to the working capital loan provided by MKCC. A letter of support from MKCC to the Auditors has also been drafted confirming that MKCC does not intend to withdraw the working capital loan over the next 12 months.</p> <p>The Board agreed that it had no concerns with the letter of representation, commentary, adjustments, and underlying figures however, it noted that note 9 (trade creditors note) could be clearer. Board agreed that as the Auditors had accepted the current wording, it would not seek to amend this year's accounts.</p> <p>Despite applying for an extension to file the accounts with Companies House, MKDP are aiming to file them by the end of December.</p> <p><b>RESOLUTIONS:</b> The MKDP Board <b>resolved:</b></p> <ul style="list-style-type: none"> <li>a) To <b>APPROVE</b> the Financial Statements for the year ended 31 March 2022,</li> <li>b) To <b>DELEGATE</b> the agreement of any non-material amendments proposed by the auditors to the Chair, and</li> <li>c) To <b>APPROVE</b> the Letter of Representation and to delegate signature of the letter to the Chair.</li> </ul>	
<b>6</b>	<b>Milton Keynes Housing Company (MKHC):</b>	
	<p>The Board was advised that the Delegated Decision to submit the final application for Registered Provider status was approved on 13 December 2022 with no queries or questions.</p> <p>The Board were updated on the latest indicative pricing from Millers. It is expected that this work will be completed by March 2023.</p> <p>MKHC Update - NS advised the Board that since 29 November 2022, the MKHC Board had met twice and are due to meet again on 15 December 2022. The current Business Case has been strengthened as a result of their knowledge and experience. Assuming the application is submitted, MKHC are not expecting questions from the Regulator until after Easter.</p>	

	<p>The Board were advised that once the final application is submitted, MKHC will formalise with Homes England the agreement to the grant and run the grant application in parallel with the final application for Registered Provider status.</p> <p>The Board agreed that it would set up a meeting in the New Year with KC, NS, and JG to consider lessons learnt from other organisations with housing company subsidiaries.</p> <p>Full update to be presented to the Board in March 2023.</p>	<b>KC</b>
<b>7</b>	<b>Special Projects &amp; Property Matters:</b>	
7.1	<p><b>Milton Keynes Market</b></p> <p>The Board was advised that further to their in principle agreement not to renew the Ritagate lease, the Executive has continued exploring the feasibility of bringing the management of the market in-house under a Service Level Agreement with MKCC. The Executive has identified opportunities to run the market more efficiently in the long run and to implement some operational improvements that will hopefully confirm its status as a city asset.</p> <p>The Board was advised that MKDP’s revenue position is likely to be lower than at present, mainly due to improved practices and processes, and that those assumptions have now been verified.</p> <p>MKDP will remain involved from a curation and placemaking point of view with day-to-day property management carried out by MKCC under the SLA.</p> <p>The Board agreed that it was supportive of the recommendation and, in response to comments, the Executive confirmed the following:</p> <ul style="list-style-type: none"> <li>- MKDP is proposing more staff than currently involved in managing the Market.</li> <li>- MKDP’s Property Manager is reviewing whether any extra insurances are required and identifying efficiencies in the current SLA with MKCC.</li> </ul> <p>The Board agreed that it was supportive of the project and were looking forward to seeing improvements to the Market over the coming year.</p> <p><b>RESOLUTIONS:</b> The Board <b>resolved:</b></p> <ul style="list-style-type: none"> <li>a) <b>To APPROVE</b> the recommendation that MKDP will not renew the lease to Ritagate for Milton Keynes Market, and that from 1<sup>st</sup> April 2023, operational management will be delivered under an SLA with Milton Keynes City Council.</li> <li>b) <b>To NOTE</b> that this approval is based on a net revenue ‘collar’ but that efficiencies in management and further revenue opportunities will be explored during implementation.</li> </ul>	
7.2	<p><b>Theatre Multi-Storey Car Park</b></p> <p>The Board was given a brief reminder on the history of the disposal and the current position.</p>	

	<p>The Board agreed that it was supportive of the recommendation and, in response to comments, the Executive confirmed the following:</p> <ul style="list-style-type: none"> <li>- The Heads of Terms (HOT) were now in a good position and similar to MKDP’s usual HOT style. The Board was advised that the Developer had longer to submit a planning application however, this was due to the requirement for greater stakeholder engagement.</li> <li>- There were not yet any detailed plans for the site but parking will be considered and the Developer has expressed that they want to engage with Highways to ensure it is fit for purpose.</li> <li>- The HOT includes a mechanism for calculating the value of the site dependent on the number of affordable units and discussions with MKCC.</li> </ul> <p><b>RESOLUTIONS:</b> The Board <b>resolved:</b></p> <p>a) To <b>APPROVE</b> the draft Heads of Terms for a disposal of the Theatre Multi-storey Car Park, which is owned by Milton Keynes City Council, and part of the adjoining Classic Infrastructure, which is owned by Milton Keynes Development Partnership.</p> <p>The transaction is to be structured as follows:</p> <ul style="list-style-type: none"> <li>i) Agreement for lease conditional on planning and funding with a 5% deposit payable on exchange.</li> <li>ii) Building lease on grant of planning with the balance of purchase price payable on completion.</li> <li>iii) Transfer of freehold for a nominal price on practical completion of the scheme.</li> </ul>	
7.3	<p><b>Station Square</b></p> <p>The Board received the following update: MKDP is in discussions with MKCC to determine the next steps for Station Square.</p> <p>Informal soft market testing has been undertaken. Concerns have been raised around the fragmented landownership around Station Square, certainty around other projects, and planning risk associated with heritage assets and classic infrastructure. The Executive are looking to formalise soft market testing and engage with other decision makers in relevant organisations.</p> <p>The Board was advised that a formal written report would be brought to Board in the February 2023.</p>	AS
<b>8</b>	<b>Reports</b>	
8.1	<p><b>Chair’s Report</b></p> <p>NS advised the Board that the meeting schedule and proposed committee structure would be circulated in January. A Stakeholders meetings programme will be developed in the New Year.</p>	
8.2	<p><b>Managing Director’s Report</b></p> <p>Awaiting further news on the levelling up application decisions but it is unlikely to be before Christmas. Last week was the Red Bulls Home Run event which 30,000 people attended and there was some very positive PR for the City.</p>	

8.3	<b>MKCC Chief Executive Report</b> No updates.	
7	<b>AOB:</b> No matters arising	
8	<b>Close</b>	
	The Chair closed the meeting at 16.55.	
	<b>NEXT MEETINGS:</b> 24 <sup>th</sup> January 2023: Room 1.01, 10:30 -13:30 28 <sup>th</sup> February 2023: Room 1.02, 10:30 – 12:30	

Confirmed as a true extract of the meeting of the Board held on 14<sup>th</sup> December and published in accordance with the Freedom of Information Act 2000.

*Nicola Sawford*

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Independent Chair