

MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)

Board Meeting

23.05.23

10:30 – 12:30

MS Teams

Board Members Present:

Nicola Sawford, Independent Chair, (NS)
Roger Bell, Independent Board Member
Mike Clarke, Independent Board Member, (MC)
Julia Gregory, Independent Board Member (JG)
Cllr Rob Middleton
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)

Item		Action
1	Apologies: Michael Bracey, Board Member	
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	
3	Previous Minutes	
3.1	Board Meeting: The minutes of the meeting held on the 28.03.23 were approved. Matters arising: None	
3.2	Matters arising log: The Board noted the completed actions and noted the timeframe for ongoing matters. Matters arising: Health and safety reporting. It was acknowledged that the process for escalating serious H&S risks is being included with the governance manual work. A request to include a standing item within the Agenda or MDs report of any priority fatal or life-changing injury risks was raised by JF. Within the H&S reporting the process will be made clear. The Executive were asked to ensure the property management risk report is reviewed monthly and reported to Risk & Audit subcommittee quarterly and that any serious incidents be escalated to the Board immediately. The Board was assured that it was already the position for serious health and safety incidents to be urgently brought to the Boards attention and this will be formalised in the appropriate policy.	

4	Finance:	
4.1	<p>Valuation report: Presentation from Kirkby Diamond. Nathan Andrews and Darren Pape of Kirkby Diamond provided a summary presentation of the valuation report which covered Investment Properties, Car Parks and Land values.</p> <p>Following the presentation there were a number of questions relating to the valuation on some of the assets.</p> <p>Board specifically queried the valuation of the Walton Manor site, as while Board understood that planning had lapsed at the point in time when the valuer carried out this work, they noted that this situation may be substantially addressed by the time the accounts are completed. Board therefore requested the valuer to consider if his approach required review.</p> <p>Kirkby Diamond to respond and this would be circulated to the Board.</p>	MG/KC
4.2	<p>Provisional Y/E Out Turn: The Board noted the draft performance for the 12 months ending 31.03.23</p> <p>Building maintenance: It was agreed that maintenance expenditure and the future maintenance budget, in particular the repairs at station square would be reviewed and reported back through to the Risk & Audit (RA) subcommittee.</p> <p>Disposals: The Executive advised the Board that careful timing of proposed disposals was essential in the current economic environment. It was hoped that eventually the macro-economic situation would settle down and reach a new equilibrium.</p> <p>The Executive are considering the longer-term approach for the property portfolio, in particular in CMK and how might we create a long-term future income stream? These are deliberations for the strategy session.</p> <p>The question was asked if there was anything that could be done to speedup finalisation on the disposal of some sites. MG was asked to circulate a note explaining the difficulties.</p> <p>Strategy Session: June 2022 The Chair requested the following matters are covered in more detail at this session</p> <ul style="list-style-type: none"> • Trade-off's • Disposal process/approach • Market conditions • Valuations • CMK • Portfolio 	KC/AS MG
5	MKHC (LHC):	
5.1	<p>Progress Update: The Board were advised that the council plan to consider the business case for the LHC and the MKDP business plan on the 11.07.23. The report will cover the most up to date information around the options and alternatives.</p>	

	<p>The MKDP board and MKHC board will need to agree and approve the form of lease, and loan facility agreement and in addition the MKDP Board will need to approve the business case before the papers are published on the 26.06.23.</p> <p>Response to the Regulator: The Executive confirmed that the regulator has already indicated they are happy to receive the response at the end June. However, the Regulator has also stated they will not grant approval status until they have received the final loan agreement. It is the opinion of the Executive that the Regulator will not have an issue if a request is made to submit the final response in July.</p>	
6	Special Projects & Property Matters:	
6.1	<p>Lower Westside: The multipurpose venue feasibility study commissioned by MKCC has reached a conclusion and supports that there is a gap in the market for this type of venue in Central Milton Keynes. MKCC are working on the funding business case.</p> <p>Lower Westside masterplan: The soft market testing is now complete. Feedback has been positive. Further work covering the type of infrastructure required; the sustainability strategy and what partners might be asked to deliver is underway. A written report will be presented to board on the conclusions of the soft market testing.</p> <p>Open University: As reported to board previously the OU would like to relocate to CMK. The option they are taking forwards to detailed business case planning is an in-person 'University of Milton Keynes', alongside their current campus, and proposals have been made to their Board on that basis. There is now a 6-9 month pause on Lower Westside whilst they work on that business case. The press statement is on hold until the end of June.</p> <p>Property Week Round Table event: The OU will be joining the event on the 6th June and PR and Comms will go live later in the summer.</p>	AS
6.2	<p>Midsummer Boulevard East: The Milton Keynes Market rebranding has concluded, and designs were shared with the board. The MKDP team continue working with the shopping centre to improve signage and advertising. The team continue to build relationships with the stallholders.</p> <p>The longer-term development opportunity in this part of CMK is also being considered. As a key stakeholder, and landowner, conversations are being had with Hermes Federated/centre:MK.</p>	AS
6.3	<p>Campbell Park Northside: Following the presentation to Board, verified views showing the impact on the skyline are being reviewed and assessed in terms of the impact on CMK. The Executive confirmed there was sufficient time to meet the planning deadline for approval. RM suggested he would like a separate discussion about how the approach to heights is to be handled and managed in the new local plan, so we have a clearer idea about future schemes.</p>	MG

7	Reports	
7.1	<p>Chair's Report: The Chair advised she had attended UK REIFF along with MG & AS. The event proved to be beneficial in increasing MKDP's profile. Other matters since last reported include participation in the Open University tour, working with TA and the Team on new governance procedures. The board were advised that she had also attended Savills Investment Forum looking at the with profits sector within housing.</p> <p>The Chair requested that the minutes record that on behalf of the MKDP Board she thanked ES and KC on the huge amount of work they have done on the LHC.</p>	
8.2	<p>MD's Report:</p> <p>The board noted the updates within the report.</p> <p>Matters arising:</p> <p>Risk Register: A detailed review of the risks will be held at the next Audit Committee.</p> <p>Annual Report summary: One final proofread is necessary and it will be posted on the website.</p> <p>Projects Tracker: Suggestions made to improve the tracker reporting including: financial indicators, start and finish target dates together with direction of travel (improving / worsening) with specific actions to be added and highlight the projects that will help deliver the financial success this year/next year. The projects tracker will become a standalone agenda item and reported quarterly to the board.</p> <p>Governance: A change to MKDP's structure with the council is being taken to MKCC cabinet on the 7th June. There will be an Owners Advisory Group which will provide Councillor colleagues the opportunity to provide strategic/advisory guidance. The S151 and Monitoring Officer will also be part of this group. The group will meet on a quarterly basis. Changes come into force as from 1/9/23. A letter of support from the Chair was shared with the Board. A slight change to the penultimate paragraph to reaffirm MKDP's commitment to engaging and consulting with councillors at the initial stages of development will be made and shared. The Members Agreement will be circulated following input from the council's Monitoring Officer.</p>	<p>ES</p> <p>ES</p>
8	AOB:	
8.1	Risk & Audit subcommittee: The date for the September meeting to be rearranged.	AP
8.2	CBRE Affordable Housing Fund: The board were advised that CBRE have recently funded a scheme in Bletchley and are now looking to do funding with local authorities/housing companies like the LHC. Institutional funding partners could be a topic for the strategy session.	
8.3	Lessons learned summary on LHC's: The paper is being drafted and will form an appendix to the business case.	KC
9	Board Member only Discussion:	
	The MKDP Executive team, with the exception of the Company Secretary & General Counsel, left the room for this item.	

NEXT MEETINGS: 27 th June 2023: 10:30 – 12:30, room 1.01 25 th July 2023: 10:30 – 12:30, room 1.01	
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Confirmed as a true extract of the meeting of the Board held on 23rd May 2023 and published in accordance with the Freedom of Information Act 2000.

Nicola Sawford

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Independent Chair