

MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)

**Extract from Minutes of Board Meeting dated 9th September 2019 at 10:00 am
Held in MK College, Bouverie House, 200 Silbury Blvd, CMK, MK9 1LT**

Item	
1	Declarations of Interest:
	No new declarations of interest were declared
2	Previous Minutes
	<p>The minutes of the meeting held on the 29th July 2019 were APPROVED</p> <p>Matters Arising: MK Bus Shelter Charity: The Chair advised the matter of requiring a clear exit strategy and exit date was discussed at the quarterly review meeting but the formal letter remains outstanding.</p> <p>Auditors Meeting Ernst & Young. It was confirmed that a meeting with E&Y had been arranged for the 18th September 2019. The purpose of the meeting is to discuss performance and the proposed increase in fees.</p>
3	Matters Arising Log
	<p>Winter Wonderland: Following referral to the CMK BID Company, on the prospects of using Station Square was dismissed; the event is now to be held at Towcester Racecourse.</p> <p>MK Bowl: MKDons Training Facilities: Lawyers have been appointed with the inception meeting arranged for the 10th September. Press release in progress. MKC’s formal support to dispose the freehold remains outstanding. However, there is a policy statement that links the Councils aspirations for the Bowl and MKDons.</p> <p>Bouverie Square – Restrictive use covenants: The covenants restrict the use to office however the conversion to residential is almost complete. Letters have been sent to lawyers inviting the parties to mediation.</p> <p>Finance System & Techforge: Techforge progress has been slow. Future update to be a standing item within the Finance report</p> <p>Item 54: PR & Comms: Strategy not progressing as anticipated, however PR copy has improved. . Proposal to be taken to the October Property & Project subcommittee with a recommendation to Board in November.</p> <p>MK Bus Shelter Charity: At the meeting subcommittee meeting held on the 23rd August 2019, the move to another contentious site on the south side of Campbell Park was not supported. The Executive to review the portfolio for an alternative location in liaison with MKC.</p>
4	Subcommittee Minutes
4.1	<p>Property and Projects Subcommittee 29.7.2019: The Board noted the contents of the PPSC Minutes and were provided updates as follows:</p> <p>R:CMK Workshop: Baseline work continues whilst a firm date for the workshop is found.</p>

	<p>Open Market: The Board were advised that the brief had been expanded to include a possible relocation to Midsummer Boulevard East nearer to INTU.</p> <p>Fleecehold / Public Open Space: Definition of public open space and the mechanism in terms of transfer of the land is being worked through. Recommendation to be brought to a future Board.</p>
4.2	<p>Finance, Audit and Governance Subcommittee 29.07.2019: The Board noted the minutes of FAGSC.</p> <p>Board acknowledge the proposal outlined within the minutes to resolve the historic loan interest and loan repayment. The mitigation of the historic interest payment has been neutralised by offsetting the previously agreed capital contribution and a reduction of MKDP's contribution to the Tariff Risk reserve.</p> <p>The loan arrangements and historic interest repayment are detailed within the revised business plan which goes to delegated decision on the 17th September.</p> <p>Chief Financial Officer: Board were advised that the new CFO has expressed a desire to engage with MKDP whilst working through his notice period. The start date with MKDP is the 1st November 2019. A NDA has been signed to facilitate the sharing of information.</p> <p>Next Steps:</p> <ol style="list-style-type: none"> 1. The next stage is to arrange a meeting to discuss initial focus items. 2. Investigate if a secondment arrangement of c1 day a week can be agreed. 3. A transition plan is to be prepared and monitored by Finance Audit & Governance subcommittee. The transition plan to include a meeting with MKC's Director of Finance & Resources.
5	Financial Matters
	<p>MKDP Business Plan: The revised business plan has been varied to reflect the new financial arrangements. The Board were advised that there is still some 'fine tuning' to be done on the financials.</p> <p><u>Comments</u></p> <ul style="list-style-type: none"> • The organisation needs to start moving forward and historic matters parked. • Board recognised the requirement to have the 2018/19 business plan approved. The Executive consider it important as it addresses various requests made by MKC in the last Accountability Framework. • Future business plans to be completed in advance to the year they relate to. • 2019/20 business plan to reflect the financial planning, sensitivity analysis that has been discussed. • Prepare an interim business plan update should the accountability framework be delayed. • Board Members requested that the minutes and business plan reflect their concerns that the quality of the State Aid advice • 2019/20 Business Plan to be reviewed by TA/SR

	<ul style="list-style-type: none"> An outline of the expected process and timescales for the production of the next plan was requested <p>Board APPROVED the amended 2018/19 business plan (version 10) and delegated authority to the Chief Executive and Chair to accommodate any further changes requested by MKC. For the avoidance of doubt Board Members recorded that the Company has been/is operating within the parameters of the business plan.</p>
6	Property Matters
6.1	<p>Kents Hill – Heads of Terms: On the recommendation of PPSC Board APPROVED the Heads of Terms for the replacement private hospital at Kents Hill.</p>
6.2	<p>Pinder House Acquisition: Board noted the progress made to secure Pinder House. The investment opportunity was pursued on the approval of IDSC and within the given thresholds. Lawyers have been appointed.</p> <p>Board APPROVED the transaction as outlined and delegated authority to the Executive to conclude the deal.</p>
7	AOB
7.1	<p>Property updates: Hotel La Tour: Planning has been resubmitted following completion of the value engineering. Resolution of the amount of the payment in lieu to the Council for the car parking suspension fee is outstanding. Suspension of the car parking bays is required for the storage compound.</p> <p>Santander: Heads of Terms agreed and lawyers appointed. Draft contracts were issued on Friday. Commencement late October/early November.</p> <p>Car Parking: Santander terms agreed.</p> <p>MSCP requirement on MK:U site. Being reviewed to see how it would fit on the site to mutual benefit (Santander and University). Meeting arranged for 11th September with Hopkins the architects for the University and DSK for the Sterling scheme.</p> <p>BP Chargemaster: Fit out being amended. BP would like to rentalise the fit out to MKDP, this is the subject of an ongoing discussion. PC expected mid-December 2019 but could be February if fit out included in MKDP's package.</p>
7.2	<p>Residential - Section 21 Housing Act: It was flagged that S21 of the housing act is under consultation. The act gives the Landlord the right to evict without due cause. The market is anticipating a slight slowdown of funders and developers in the PRS business until it is known what the end clauses look like. Unlikely to affect affordable or social housing. Likely to affect the PRS sector, BTR, University accommodation, buy to let market.</p> <p>There could be a risk to the D4.4 Wyevale scheme.</p>

Confirmed as a true extract from the Minutes of the meeting of the Board held on 9th September 2019 and published in accordance with the Freedom of Information Act 2000.

A handwritten signature in black ink, appearing to read 'Allyce', with a long horizontal flourish extending to the right.

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Chairman