

## MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)

**Extract from Minutes of Board Meeting dated 25<sup>th</sup> February 2019 at 10:00 am  
Held in MK College, Bouverie House, 200 Silbury Blvd, CMK, MK9 1LT**

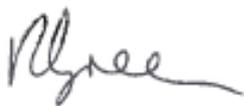
Item	
<b>1</b>	<b>Declarations of Interest</b>
	No new declarations of interest were declared.
<b>2</b>	<p><b>Previous Minutes:</b> The minutes of the meeting held on the 14<sup>th</sup> January 2019 were <b>AGREED</b> subject to the following corrections:</p> <p><b>Matters arising:</b></p> <p>Item 8: Review of Affordable Provision / 36% Delivery Matrix: Previous minute be reviewed. The Planning Inspectors report has now come in and the guidance is that flats in CMK / PRS are not necessarily viable therefore separate viability cases will be required going forward.</p> <p>Item 9.2: Conflicts of Interest: JF requested the minute reflect that she would not declare her Ward, not that she would not complete the declaration of interest form.</p>
<b>3</b>	<b>Matters arising Log:</b>
	<p>The Chair stated that an action was missing from the log and that it should be addressed at a future board meeting. The missing action was regarding the long term future of MKDP what it could look like in 5/10 years. Paper to be provided.</p> <p>The actions were noted by the Board.</p>
<b>4</b>	<b>Presentation – Renaissance:CMK (R:CMK)</b>
	<p>Board were reminded that R:CMK is a Council lead project. MKDP’s role to date has been about supporting the Council as Strategic Advisor to lead on specific projects. An overview on each of the following elements was provided:-</p> <ul style="list-style-type: none"> <li>▪ Office Developments</li> <li>▪ Residential developments</li> <li>▪ Hotel Developments</li> <li>▪ University on B4</li> <li>▪ Retail / Leisure – Intu and Hermes</li> <li>▪ Midsummer Boulevard East</li> <li>▪ CMK Open Market</li> <li>▪ Mobility</li> <li>▪ Station Square</li> <li>▪ Arts, culture, public realm</li> <li>▪ CMK Prospectus was launched in January</li> </ul> <p>Board were reminded that a finding of the MKDP review was that a masterplan should be drafted for CMK and that MKDP should be the lead. In abeyance of a masterplan/direction from MKC, MKDP has had no alternative but to look at its individual assets and make a decision on a property by property, finance by finance basis. A cohesive and integrated approach for CMK is vital to enable MKDP to be able to make the right decisions.</p>

	<p>It was suggested that MKDP as a landowner/stakeholder should be encouraging collaborative working with other landowners/stakeholders to get consensus for a masterplan/framework. As an adviser to MKC, MKDP should be submitting a report to MKC advising them to instruct a piece of work to construct an overwrap that covers socio economic; urbanism; changing role of a city centre</p> <p>R:CMK to be an agenda item in c3 months' time (ie: after May)</p>
<b>5</b>	<b>Finance Report:</b>
	<p>Board were advised that the final budget will be presented to Board for approval at the May meeting following a recommendation from Finance Audit &amp; Governance subcommittee.</p> <p>Matters to be finalised are:</p> <ol style="list-style-type: none"> <li>1 Debt repayment as at 31<sup>st</sup> March 2019</li> <li>2 Amount of working capital fund for investment opportunities</li> <li>3 MKC recharges</li> <li>4 Payment to HCA</li> <li>5 Value of the CSRF</li> </ol> <p>Concerns raised by the Board:</p> <ul style="list-style-type: none"> <li>▪ Lateness of papers</li> <li>▪ Forecasting</li> </ul> <p>Recommendation: Board <b>NOTED</b> the draft budget as presented and the appertaining comments.</p> <p>It was <b>AGREED</b> that a summary note will be circulated to Board members before the 29<sup>th</sup> March 2019 regarding the amount of debt to be paid; including a paragraph about the contingent liability going forward and clarity on MKC's expectation on bullet payments.</p> <p>A further discussion was requested about what happens with the buffer as the year progresses ie: a sensitivity analysis throughout the year. Different scenarios, including non-payment, on how the business is protected.</p> <p>Financial System: Concerns were expressed regarding the stability of LGSS. A meeting with Techforge and LGSS has been held to work through the API interfaces. LGSS are not able to support the project management required therefore Techforge are re quoting. The implementation of ERP and Techforge to be rolled out by the 30<sup>th</sup> June 2019.</p>
<b>6</b>	<b>Governance Report:</b>
	<p>Elected Councillors' Potential Conflict &amp; Confidentiality Obligations Protocol: Board <b>APPROVED</b> in principle, and requested rewording of the last bullet point of 2.2; the last paragraph of 2.3; the last paragraph of 2.4 and in particular 'withheld' information.</p> <p>Sub-committees' Terms of Reference and Composition: Board <b>AGREED</b> that subcommittee chairs' feedback would normally be expected to be by meeting minutes – redacted minutes from Nomination &amp; Remuneration subcommittee while all other subcommittee minutes should be a fair reflection and not redacted other than exceptionally.</p>

	<p>Board <b>APPROVED</b> Roger Bell's appointment to Property &amp; Projects; Investment &amp; Development and Noms &amp; Rems subcommittees.</p> <p>Board <b>NOTED</b> the delegation to The Executive as VAT Agent for Option to Tax.</p>
<b>7</b>	<p><b>Corporate Social Responsibility:</b></p> <p>Board considered FAGSC recommendation is to have a single CSFR annual fund of £60k for borough wide projects and suggestions how the proposed fund should be utilised with FAGSC making the awards.</p> <p>The 2 principles envisaged when the CSRF fund was initially proposed:</p> <ol style="list-style-type: none"> <li>1 A borough wide CSR initiative to promote MKDP's profile.</li> <li>2 Facilitate MKDP, the Board and Executive, when bringing forward individual sites, to mitigate possible opposition from Ward/Parish Councillors and residents by supplementing facilities which planning requirements would not accommodate.</li> </ol> <p>It was for the Executive to decide how to achieve and when to recommend such solutions. Board Members were asked to feed to the Executive for consideration, at the marketing and development brief stages, specific local requirements which might placate local residents and enhance the likelihood of obtaining consent.</p> <p>It was proposed that the Board proceed to approve the £60k Board <b>AGREED</b> the suggested way forward. Policy to be progressed.</p>
<b>8</b>	<p><b>Property Matters:</b></p>
8.1	<p>Westbury Farm: In January 2018 Board decided to support Westbury Arts Group in the short term but also requested the Executive to consider the long term stewardship and an exit strategy. Terms have now been agreed for a transfer to MKC.</p> <p>Terms of Transfer:</p> <ol style="list-style-type: none"> <li>1. Freehold of the whole site transfers at nominal consideration (£1) subject to covenants that restrict the use of the property to its current one.</li> <li>2. MKC take on full repairing obligations from date of transfer.</li> <li>3. Subject to 1 and 2, MKC to be able to promote ancillary uses with the aim of generating a positive revenue stream. MKDP to share (50:50) in any profit generated over a priority return to MKC.</li> <li>4. Any capital receipts generated within the restricted land use to be shared in the same way</li> <li>5. The agreement to be in perpetuity or until both parties agrees to vary or exit the agreement.</li> </ol> <p>Board <b>APPROVED</b> the terms of transfer of Westbury Farm as outlined in the paper.</p>
8.2	<p>B4.4 Car Park: Board <b>APPROVED</b> the following:-</p> <ol style="list-style-type: none"> <li>1 Reinstatement of the car park on B4.4</li> <li>2 A reinstatement budget</li> <li>3 Investigation of a multi storey car park on B4 and the delegation of</li> </ol>

	authority to IDSC to review options to build a business/place making case for referral to Board for final approval.
8.3	<p>Highgate Over: Board were advised that there is a risk that the scheme could be challenged by DCC and there could also be a reputational risk of seeking planning applications for non-policy compliant schemes. The reality of the housing position is that there is a shortage of 3 bedroom properties.</p> <p>Board <b>NOTED</b> the comments made and <b>AGREED</b> the recommendation to proceed with the amended scheme together with the heads of terms.</p>
8.4	<p>Ground Rents: The Board <b>APPROVED</b> the recommendation to allow Crest to sell the freeholds and collect the capital receipts (after distribution to Parks Trust for the Campbell Wharf project). The rents are reviewed exactly in line with RPI <b>not</b> RPI +x%. Board took the decision that this is better than industry practice.</p> <p>An elected member objected to the proposal as it was felt that this was not the solution to the problem, the Executive were asked to review.</p>
<b>9</b>	<b>AOB</b>
9.1	Station Square: Formal update requested on the design development brief with ARUP. Required for the next PPSC – 22/3/19.
9.2	Open Market: Board acknowledged that Grieg and Stephenson had been appointed to undertake the architectural commission and investigation on CMK market. The brief is being prepared to RIBA stage 3 with breaks.

Confirmed as a true extract from the Minutes of the meeting of the Board held on 25<sup>th</sup> February 2019 and published in accordance with the Freedom of Information Act 2000.



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Chairman