

**MILTON KEYNES DEVELOPMENT PARTNERSHIP (“MKDP”)**  
**Extract from Minutes of the Board Meeting dated 3<sup>rd</sup> August 2020**  
**starting at 10:00 am**  
**This meeting was held via MS Teams (video conferencing platform)**

**Board Members Present:**

Nicola Sawford, Independent Chair (NS)  
 Bernadette Conroy, Independent Board Member (BC)  
 Huw Lewis, Independent Board Member, (HL)  
 Steve Mallen, Independent Board Member, (SM)  
 Roger Bell, Independent Board Member, (RB)  
 Cllr Rob Middleton, (RM)  
 Cllr Jenni Ferrans, (JF)  
 Tracey Aldworth, Board Member, (TA)

**In Attendance:**

Mike Clarke, Independent Committee Member (MC)  
 Matthew Green, MKDP, Property Development Director, MG  
 Tim Roxburgh, MKDP, Special Projects Director, (TR)  
 Gavin Gager, MKDP, Chief Financial Officer, (GG)  
 Adam Sciberras, MKDP, Development Executive-Housing (AS) **Item 1**  
 Allison Pettifer, MKDP, Secretary to the Board (AP)

Item		Action
<b>1</b>	<p><b>Elfield Park Presentation:</b></p> <p>Carey Group presented their plan for Elfield Park. The development repurposes land to create an exemplar campus creating c240 jobs. The development comprises an industrial unit, warehousing and offices consolidating Careys regional office, training academy centre and manufacturing assets based in Milton Keynes and the South East and will provided scope for future expansion. A new spine road and junction will be created leading from the A421. Key milestones are as follows: draft planning application submitted in July 2020; full planning application being submitted in November 2020; planning permission May 2021; phase one of the construction (first 30k sq ft including site access and services from the north of the site) on site September 2021 with completion September 2022. Reserved matters with the outline application for the other buildings follow. Stakeholder engagement was confirmed.</p> <p>Board agreed that the proposal provided a good balance of ecology and sustainability. The Board approved the variations to the Carey Group’s proposed development and accepted the draft planning application.</p>	
<b>2</b>	<p><b>Apologies:</b></p> <p>Charles Macdonald, MKDP, Chief Executive</p>	
<b>3</b>	<p><b>Declarations of Interest</b></p> <p>No new declarations of interest were stated.</p>	
<b>4</b>	<p><b>Previous Minutes</b></p>	
3.1	<p>Board Meeting – 15.06.20. The minutes of the meeting were approved. All actions were completed or covered within the agenda.</p>	

	<p>Matters arising: Cllr Alex Walker, Elected Board Member: The Chair informed the Board that discussions are ongoing regarding a Conservative nomination for the Board until resolved Alex Walker remains as a Member.</p> <p>Business Plan: TA advised the Board that technically the Council does not require the plan to be formally reported but acknowledged it is best practice to do so. The proposal now is to link together the formation of the LHC with an updated business plan. The current business plan is now out of date therefore the best option is to bring the 2 matters together.</p> <p>Station Car Parking: The car parking will be managed through the Council's agreement with Saba and should be up and running in a matter of weeks.</p>	<b>NS</b>
<b>5</b>	<b>Reports – Verbal updates</b>	
5.1	<p>Chair's Report: The Chair expressed her thanks to the MKDP Team for their commitment in these difficult pandemic times in progressing operational and strategic matters.</p> <p>LHC Proposal: Group Leaders have given their approval to the proposal and a first joint officers session to plan the next steps has been held. The plan is to work through the outstanding points and build a detailed business case to be completed by December.</p> <p>In the interim period, development opportunities will be addressed as they arise and will not be delayed to December.</p> <p>R:CMK: A roundtable session with external contributors was held and a good discussion was had on learning from other projects. There has also been progress on meanwhile uses in Station Square.</p> <p>MK Testing site: This item is to be added to the next PPIsc agenda. GG has been asked to pick this matter up with the Council and Deloitte to ascertain future aspirations for the site.</p>	<b>GG</b>
5.2	<p>CEO's report: Due to apologies received, a report was not provided.</p>	
5.3	<p>Council's Report: Work has been ongoing with the covid recovery plan including how the Council would manage a local spike of coronavirus. Management Action plan: The economic recovery plan is taking shape and goes to Cabinet in September. Longer term planning of financial sustainability: Board were advised that Milton Keynes Council will receive a 3-year settlement from the Government. This will be announced in the Government spending review in October. Towns Fund: Government recently offered MKC a grant of £1m for the Towns Fund Programme for delivery in this financial year. MKC are to confirm with the Government by 14.8.20 which capital projects it proposes to spend the initial funding on. One of the projects is the former Bletchley Fire Station site. £200k has been allocated to prepare the site for repurposing/redevelopment. The Town Investment plan will be submitted in October.</p>	

<b>6</b>	<b>Subcommittee Minutes</b>	
6.1	Property Projects & Investment – 10.7.20 The Minutes of the meeting were noted by the Board	
6.2	Finance Audit & Governance – 10.7.20 The Minutes of the meeting were noted by the Board.	
<b>MATTERS FOR DISCUSSION &amp; APPROVAL</b>		
<b>7</b>	<b>Finance:</b>	
7.1	<p>Financial Accounts &amp; Statements: Finance Audit &amp; Governance subcommittee have provided feedback and a draft version is being reviewed by the Auditors. Board were asked to delegate authority to the Chair, Subcommittee Chair of FAGsc and the CFO to manage final amendments.</p> <p>The Chair requested more time to review the financial statements and suggested the end of August as an appropriate timeframe. GG to confirm with the Auditors that the extended timeframe would be acceptable. <i>Post meeting note: Accounts to be signed off by Board at 7.9.20 meeting.</i></p> <p>Financial Performance: In the first quarter, car parking income significantly reduced. This is due to no car parking income through April, May, June and July. The suspension of car parking although lifted was not fully enforced.</p> <p>Property Rental: Despite best efforts MKDP has been unable to collect all the rent owed. A particular issue is Pinder House. A report was requested on the rental position by asset.</p> <p>Forecast:</p> <ul style="list-style-type: none"> <li>• The original budget has been revised and project costs capitalised where appropriate. The CSR fund has been taken out.</li> <li>• R:CMK: The board agreed that there needs to be sufficient budget to ensure the R:CMK programme continues.</li> <li>• Station Square: Board were informed that the creation of a framework would be quicker and keep momentum going. The technical studies will provide the evidence and will be just as qualitative and will support Plan:MK.</li> <li>• R:CMK Projects: Recruitment has been frozen for the current time. Board were advised that consultancy support was being considered to see if it could be more cost effective versus full employment. To be discussed at the next FAGsc meeting.</li> <li>• Forecast planning assumptions of Low impact, Medium Impact, High Impact applied to property, parking income, to be detailed further at FAGsc.</li> <li>• Loan arrangements to remain as originally forecasted.</li> </ul>	<p><b>GG</b></p> <p><b>GG</b></p> <p><b>GG</b></p>
7.2	<p>Red Book Valuation: Board were advised that the Auditors are currently auditing the red book valuations and that a secondary audit on the judgments will also be undertaken. Board were advised that a decision on the level of reduction was now required.</p>	

	The Auditors will reference the red book valuation with a RICS qualification. A statement on how management handled the matter will also be included.	
7.3	PPM Risk Assessments: Due to time constraints the paper was noted by Board. The Chair requested that any questions should be forwarded to the Executive.	
7.4	Financial Rules & Procedures: Both policies have been reviewed and commented on by FAGsc.  Amendments requested by Board: 1. Scheme of delegation non budgeted limits 2. Clarity on section 2 of the, Finance Procedure Rules.  Board approved the Financial Rules and Procedures Policy subject to the above amendments and delegated to Finance & Audit & Governance subcommittee to put the amendment through.  The final versions to be circulated to Board Members with the tracked changes.	GG       GG
7.5	CMK Open Market – Consideration of Proposal: The Board were supportive of the proposal to forgo rent owed for the April-June quarter. Approvals would be required on a quarter by quarter basis. The Board want to qualify that this is not to set a precedent but reflects the current Covid-19 situation. Site visits are being undertaken to review occupation.	
<b>8</b>	<b>Property Matters:</b>	
8.1	Emmerson Valley - Heads of Terms: The Executive covered a couple of points raised at PPIsc: 1. Clinical Commissioning Groups (CCG) engagement: A concern was raised that the Primary Care Provision would not be able to support an import situation. RM advised that the Council would be able to facilitate confidence. Further communication to be carefully managed to encourage CCG support. 2. Highways: Pre-App discussions underway. Any changes will be referred to Board. JF requested that the minutes reflect that she did not support approval of the heads of terms without approval from Highways and does not believe it to be a viable proposition. The Executive confirmed that Highways would be consulted and if they require any scheme changes it would be returned to Board for a subsequent approval.  The Heads of Terms as proposed were approved by a majority vote. There was one objection. The approval is subject to the usual delegations to document the transaction and approve the planning application.	
8.2	Shenley Wood A – Heads of Terms: The Heads of Terms as proposed were approved. The approval is subject to the usual delegations to document the transaction and approve the planning application.	
8.3	Bletchley Fire Station Site Acquisition– verbal update: The valuation of the site has been agreed by both parties. MKDP will be	

	<p>undertaking inspections and surveys ahead of taking possession in September/October 2020.</p> <p>MKDP have been allocated £200k within the Towns Fund.</p> <p>To determine how the money is to be used will be a future paper for PPIsc. The discussion to be had is if the entire site is to be demolished or part and provide meanwhile uses. MG to pick up conversations with TA and SP regarding potential MKC requirements in the area.</p>	<b>MG</b>
<b>9</b>	<b>AOB:</b>	
9.1	Government announcement on Land designated for renewal: Implications to be discussed at a future PPIsc or full Board when proposals are firmer.	
9.2	Press announcements on unwise investments by Councils: Party line from MKDP to be agreed.	
9.3	Executive appointment to Community Action MK. Board Members supported the request subject to declaring any conflicts of interest	
	<p><b>NEXT MEETINGS:</b></p> <p>7<sup>th</sup> September 2020, 10:00 - 12:00 Bouverie House – MS Teams</p> <p>9<sup>th</sup> October 2020, 10:00 - 12:00, Bouverie House – MS Teams</p> <p>7<sup>th</sup> December 2020, 10:00 - 12:00, Bouverie House - TBC</p>	

Confirmed as a true extract from the Minutes of the meeting of the Board held on 3<sup>rd</sup> August 2020 and published in accordance with the Freedom of Information Act 2000.

*Nicola Sawford*

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Independent Chair