

Property Best Value Pilot

A synopsis of Milton Keynes Council's ownership of land in Milton Keynes

Designated New Town Area

Milton Keynes Development Corporation was formerly the main land owner in the designated New Town area. Upon its demise in the early 1990's property was transferred to Milton Keynes Borough Council and the Parks Trust. The residual property was passed to the Commission for the New Towns (now English Partnerships)

The Highway Corridors and Linear Parks are the subject of 999 year leases in favour of the Parks Trust with Milton Keynes Council now owning the freehold. This arrangement means that whilst MKC is technically the owner of these areas of land it has no effective control over them.

MKC's portfolio that was acquired from MKDC is subject to a range of restrictions including pre-emption (the right for EP to buy back a declared value), restrictive covenants and clawback. Clawback is generally imposed on recreation, community and residential property. The clawback agreement means that any enhanced value or 'profit' is lost to EP. Many properties were transferred at nil value and in those cases all development or enhanced value would be 'profit'.

Remainder of Milton Keynes Council's Ownerships

The balance of MKC's portfolio is made up of that pre-existing in MKBC's ownership (formerly the Urban District and Town Councils) and property transferred from Bucks County Council. The property transferred from BCC is generally free of title restrictions and therefore the Council has direct control over it. There are, however, statutory constraints in respect of schools and school playing fields/sports grounds.

The categories of property and their history is set out below:

| | |
|-------------------------|--|
| Transferred from | <u>Subject to clawback and 999 year lease to Parks Trust</u> |
| MKDC/CNT | Highway Verges |
| | District Parks |
| | Linear Parks |
| | Redways and footpaths |
| | <u>Subject to clawback</u> |

Estate-related Landscaped Areas
Community Related Assets
Council Houses
Shared Ownership Housing
District Parks
Recreational Facilities inc. Playing fields
Housing Offices

Free of clawback

Commercial Property inc. Local Centre Shops

**Transferred from
BCC**

Schools and school Playing Fields
Youth and Day Centres
Highways outside Designated Area
Miscellaneous Operational Property
Local Centre Shops

**Pre-existing MKBC
property**

Council Houses
Shared Ownership (MKBC Scheme)
Investment Properties inc. Factories and Local Centre Shops
Community Centres
Housing Offices
Recreational properties
Depots
Miscellaneous operational property

This demonstrates that the degree of flexibility and control the Council has over its property is variable, sometimes even within the same category of property.