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Minutes of the meeting of the CABINET held on TUESDAY 13 JULY 2021 at 6.30 pm.

Present: Councillor Marland (Leader of the Council)
Councillors R Bradburn, Carr, Darlington, Middleton, Z Nolan,
Townsend and Trendall

Apologies: Councillor Wilson-Marklew

Officers: M Bracey (Chief Executive), T Aldworth (Deputy Chief Executive),
S Bridglalsingh (Director of Law and Governance), S Proffitt (Director
Environment & Property), S Richardson (Director Finance &
Resources), A Rulton (Head of Finance), N Hutchin (Head of Finance),
W Rysdale (Head of Housing Delivery), E Palmieri (Commercialisation
Lead for Property), M Culley (Senior Procurement Manager), S Lloyd
(Strategic Lead – Economy & Policy), P Brown (Head of Democratic
Services) and R Tidman (Committee Services Manager).

Also Present: Councillors D Hopkins, Hume, Minns, Priestley, Rankine and Walker
and three members of the public

C19 ANNOUNCEMENTS

The Leader of the Council made an announcement in respect of the death of Richard Woodcock and the Cabinet held a moment of reflection. The Deputy Leader of the Council made an announcement in respect of the International Festival. The Cabinet member for Children and Families made an announcement in respect of the 'Summer of Fun' activities to be held across the borough during August.

C20 MINUTES

RESOLVED:

That the Minutes of the meeting of the Cabinet held on 1 June 2021 be approved and signed by the Leader of the Council as a correct record.

C21 DISCLOSURES OF INTEREST

Councillor Middleton advised that he was his Groups representative on the Milton Keynes Development Partnership (MKDP) Board and for the purpose of the record, he did not partake in the decision making when the MKDP Board agreed to take a lease from MKC on the regeneration of the Agora and with regard to the item on establishing a Local Housing Company he came to this with an open mind.

The Deputy Chief Executive advised that for part of the week she acted in the capacity of the Managing Director of MKDP but had not been actively involved in the decision making or preparation of the information for the Local Housing Company item but had acted to support the Cabinet member in her MKDP capacity.

Councillor Townsend advised that she was a resident in Wolverton but she did not believe that this would have any more additional benefit to her other than the benefit it would have to the community as a whole.

Councillor D Hopkins advised that he was his Groups representative on the MKDP Board.

C22 QUESTIONS FROM MEMBERS OF THE PUBLIC

None Received

C23 COUNCILLORS' ITEMS

None received

C24 COUNCILLORS QUESTIONS

- (a) Question from Councillor D Hopkins to Councillor Marland (Leader of the Council)

Referring to the desire to work with Red Bull Racing to develop an iconic sculpture for the roundabout near their offices in Tilbrook, Councillor D Hopkins asked Councillor Marland if he would agree to meet with Red Bull, Council officers and other stakeholders to move this project forward.

Councillor Marland indicated that for an area that was iconic for roundabouts the borough was lacking in iconic roundabouts and this sounded like a fantastic scheme to work with one of our key partners and he would ask officers to arrange a meeting.

- (b) Question from Councillor Priestley to Councillor R Bradburn (Cabinet member for Economic Recovery)

Referring to sole traders in Central Milton Keynes who have had difficulties in accessing Covid business funding streams, Councillor Priestley asked Councillor R Bradburn if he would work with traders and micro businesses with regard to the Covid recovery process.

Councillor R Bradburn indicated that there had been considerable interaction with market traders, particular in Central Milton Keynes and Bletchley and more than £570,000 of funding had been paid out to over 220 applicants in Central Milton Keynes and Bletchley. He invited Councillor Priestley to share any details of traders who had contacted her so he could ensure officers were aware and could look into how to support them.

- (c) Question from Councillor Minns to Councillor Z Nolan (Cabinet member for Children & Families)

Referring to the Tove Academy Trust who were now running Stantonbury International School, Councillor Minns asked Councillor Z Nolan whether she shared her concerns that the Trust had not demonstrated experience in turning around a school.

Councillor Z Nolan indicated that she was concerned that the local authority was not allowed to step in to run the school and that before Lord Grey school had been judged good the Trust had been given another school to run. The Tove Trust would attend the Children and Young People Scrutiny Committee which would allow the Council to better understand any challenges the Trust faced.

- (d) Question from Councillor Walker to Councillor Z Nolan (Cabinet member for Children & Families)

Referring to the Cabinet members concerns about the Tove Academy Trust running both Lord Grey and Stantonbury International School, Councillor Walker asked Councillor Z Nolan if she had raised these concerns with the Tove Trust?

Councillor Z Nolan indicated that the Council was in communication with Tove and through the Director of Children's Services we had excellent communication with the Trust. Communication was not the issue it was their capacity to manage both schools.

As a supplementary question Councillor Walker, asked the Cabinet member to give her assurance that political dogma would not get in the way of her approach to Tove and that they are given the benefit of the doubt and if there was a particular marker of success that she share what this was

Councillor Z Nolan indicated that the Council had raised concerns with the situation at the school for a number of years and the way it had been managed by the Regional Schools Commissioner was not adequate and the children at the school and their families had been let down.

C25-26 REFERENCES FROM OTHER BODIES

- (a) Referral from the Covid-19 Task and Finish Group – 2 March 2021

The referral was introduced by Councillor D Hopkins, the Chair of the Covid-19 Task and Finish Group, who welcomed the commitment to provide the Task and Finish Group with a detailed response at their meeting at the beginning of September.

Councillor Marland thanked the hard work and diligence of all who had been involved with the Task and Finish Group and looked forward to receiving the final report later in the year.

RESOLVED:

That the referral and the written response provided, be noted.

- (b) Referral from the Health and Adult Social Care Scrutiny Committee – 23 June 2021

The referral was introduced by Councillor Priestley, the Chair of the Committee, who thanked Councillor Carr for attending the last meeting of the Committee. Councillor Priestley indicated that while the Council needed to be clear about its role within an integrated system asked that the Council use its influence as much as possible with its partners to improve outcomes for the children in the area.

Councillor Carr, in addition to noting her written response, indicated that there were responsibilities of other agencies particularly with regard to recruitment and retention of psychologists and there was a wider problem that needed to be addressed.

RESOLVED:

That the referral and the written response provided, be noted.

C27 OUTTURN REPORT 2020/21: GENERAL FUND REVENUE, HOUSING REVENUE ACCOUNT, DEDICATED SCHOOLS GRANT AND CAPITAL PROGRAMME

Councillor Middleton introduced the item which was the Draft Outturn Report for the previous financial year. Councillor Middleton passed on his thanks to the finance team who had put in a significant amount of work to ensure that the Council was in the strongest possible financial position that it could be.

Councillor Middleton identified a number of highlights including: that the Council ended the year with a £900,000 surplus which would be invested in communities across Milton Keynes; the Council was in no small part in this position due to the considerable support it had received from Central Government in the form of Covid related grants; and the coming year would see pressures continue in areas such as parking income and an expected winding up of additional Covid related funding from the Government.

RESOLVED:

1. That the general fund revenue account draft outturn of £0.917m underspend be noted, together with the associated management actions.
2. That it be noted that the outturn on the Housing Revenue Account is break even, after an increase in the transfer to reserves, together with the associated management actions.
3. That the DSG forecast surplus carry forward of £3.657m be noted, together with the associated management actions.
4. That the reserves position be noted.
5. That the draft outturn on the Capital Programme of £1.849m underspend be noted.
6. That the draft outturn position of the 2020/21 tariff programme be noted.
7. That the debt position of the Council at the end of quarter 4 be noted.
8. That the Treasury Management position including prudential indicators be noted.
9. That the virements to the original budget be noted.
10. That the current position on the Collection Fund be noted.
11. That the procurement waiver decisions be noted.
12. That the additions and amendments to resource allocation and spend approval for the 2021/22 capital programme and Tariff Programme be agreed.

C28 MORE FOR MK

Councillor Middleton introduced the item and indicated that this was a new procurement approach to ensure that local people benefited from all the commissioning that the Council does and to encourage our partners to take a similar approach to focus on community wealth building.

Councillor Rankine welcomed the More for MK report which he considered would be essential to understand whether additional social value outcomes were being delivered and proved to be good value for money. Councillor Rankine questioned whether the contribution businesses would be expected to make would exceed the extra procurement costs this initiative would create. Councillor Marland advised that this was about using public and private anchor institutions to use their own procurement processes to keep wealth local. There was no financial contribution required by local businesses to take part in the scheme.

RESOLVED:

1. That 'More for MK' be adopted across the Council.
2. That 'More for MK' be promoted amongst our local public sector partners, encouraging them to take the same approach through their own procurement.

C29 MILTON KEYNES ECONOMIC RECOVERY PLAN 2021/23

Councillor R Bradburn introduced the item, indicating that the effects of the pandemic would carry on for a long time and it was vital to start phase 2 of the economic recovery, moving businesses from survival to recovery.

Councillor Hopkins indicated that he was disappointed that a number of high streets were not included in the economic recovery plans and the value of rural communities should also be something that the Council looks to invest in.

Councillor Walker indicated that he felt that the economic recovery was not something that the Council had done well. The pandemic had highlighted how disconnected he considered that the Council had become from the wider economy and that Milton Keynes was lagging behind its neighbours in the recovery.

RESOLVED:

1. That the progress made in delivering the targets of the Economic Recovery Plan agreed in September 2020 and the positive impact this has had in delivering practical support across Milton Keynes during the COVID-19 pandemic be recognised.
2. That the Milton Keynes Economic Recovery Plan 2021-23 be agreed.
3. That £1.5m of funding be allocated to the Economic Recovery Programme projects, subject to further development and sign off by the Council's Section 151 officer.

C30 CONSTRUCTION WORKS AT THE LAKES, BLETCHLEY, AND THE DEMOLITION OF SERPENTINE COURT

Councillor Darlington introduced the item regarding construction works at the Lakes and the demolition of Serpentine Court. She indicated that this was not just about building houses but improving the lives of the people who live on the Lakes Estate.

Three members of the public spoke in support of the delivery of regeneration at the Lakes Estate, including the demolition of Serpentine Court.

Councillor Rankine indicated that he was pleased to see that there was a timetable for delivery but concern as to whether it could be met and sought assurance from the Cabinet member that Phase B would be delivered.

Councillor Hume noted that this report was a key milestone in the regeneration of the Lakes Estate and Serpentine Court. The regeneration would not just bring new homes but improve the green spaces and improve outcomes and lives of the local community.

RESOLVED:

1. That the revised Phase A scheme for delivery of regeneration at the Lakes Estate. The original Cabinet report for Serpentine Court and the Wider Lakes Estate – Approval for the submission of planning application was agreed at Cabinet on 13 January 2019, be approved.
2. That the Cabinet decision of 1 September 2020 in which cabinet approved the commencement of an open tender process to procure contractors to deliver Phase A regeneration scheme at the Lakes Estate, be amended to instead approve the use of Pagabo framework for the conduct of a mini-competition to award the contract for the revised Phase A scheme.
3. That the Cabinet decision of 1 September 2020 in which cabinet approved the recommendation to award contracts for the delivery of the Phase A scheme at the Lakes Estate in lots, be amended to instead approve the award of a single contract for the revised Phase A scheme.
4. That Cabinet recommend Council approve:
 - a) the remaining capital resource allocation needed to construct the revised Phase A project at the Lakes Estate of £61,650,000, which includes the demolition of Serpentine Court and acquisition of additional land for the Stoke Road development (being brought forward from Phase B) from MKDP, and £2.35m in disruption payments; and
 - b) specific allocation of this capital resource to be delegated to the Director of Environment and Property, and the Director of Finance and Resources in consultation with Cabinet Member for Adults, Housing and Healthy Communities, with a spend approval of £0.950m being agreed immediately, to allow the re-appointment of the professional team to undertake the outstanding detailed design work and production of the information and documents required to tender the works in this financial year.

C31 ESTABLISHING A LOCAL HOUSING COMPANY

Councillor Middleton introduced the item regarding establishing a Local Housing Company. One of the main aims of the administration was to tackle inequalities. Housing and the inability of many on low income to afford housing was a key inequality in Milton Keynes. The purpose of the report was to endorse the report and ask MKDP to move forward with establishing a Local Housing Company.

Councillor Walker welcomed the plans for the Local Housing Company and was pleased that the Council was progressing with it. He indicated that this would be more than just delivering houses it would be about better placemaking and doing things differently. Councillor Walker did note his concern that in the past too many local housing companies had failed and therefore due diligence was important. It was also key that the Council took a realistic view of what the entity would deliver and that once it was set up the Council should trust MKDP to get on with things.

Councillor Rankine also welcomed progress on this work and agreed that it was important to get the governance arrangements right. However, he was concerned that the Council was at the very early stages with an ambitious housing build out rate. Councillor Rankine asked the Cabinet member if he could advise when he expected the company to start work on its first house.

RESOLVED:

1. That the review of the MKDP LHC proposal by Local Partnerships attached as Annex 1, together with the observations from the Council's S151 Officer and Monitoring Officer as set out in the report, be noted.
2. That MKDP be asked to work with the Council to undertake a more detailed tax, financial and operational appraisal of the two options for the ownership of the LHC, (i.e. either as a subsidiary of MKDP or directly under the Council). MKDP to be asked to establish a joint working group with MKC Officers in order that a final decision can be taken by the beginning of September 2021.
3. That MKDP be asked to begin the process of progressing with the proposals to establish a Registered Provider of Social Housing, noting the updates required to the business plan.
4. That a further report is brought back to Cabinet in due course to confirm and approve the charitable objects for the new LHC prior to formal registration being submitted.
5. That the establishment of a Company Limited by Guarantee, be agreed and that it is set up to become the not-for-profit registered provider of social housing.

6. That authority be delegated to the Director of Law and Governance in consultation with the Director of Finance and Resources to approve any relevant legal agreements or arrangements on behalf of the Council to facilitate the setting up of the LHC in accordance with this report.
7. That this decision is referred to the Strategic Placemaking Scrutiny Committee for scrutiny of the formation, establishment and business plan of the Local Housing Company.

C32 INVESTING IN THE REGENERATION OF THE AGORA AND WOLVERTON'S HIGH STREET

Councillor Marland indicated that if any Councillors present wished to refer to the exempt annexes in the report than the Cabinet would need to consider resolving to exclude the public and press.

Councillor Middleton introduced the item regarding investing in the regeneration of the Agora and Wolverton's High Street. He indicated that proposals for the regeneration of the area had been discussed for over thirty years. The Council had tried to support the private sector to enable them to deliver this regeneration project but so far, a viable private project had not proved possible. Councillor Middleton was therefore pleased that the Council was able to bring forward a regeneration scheme.

RESOLVED:

1. That the public and press be excluded from the meeting by virtue of Paragraph 3 (Information relating to the Financial or Business Affairs of the Authority) of Part 1 of Schedule 12A of the Local Government Act 1992, in order that the meeting may consider the Confidential Annexes (B, C, D, F, G) to the report.
2. That the Agora shopping centre site be acquired alongside the design rights to the scheme, as developed by TOWN.
3. That the freehold of the built Agora asset be retained by the Council for a minimum of 50 years.
4. That the Contract dated 9 November 2018 between the Council and Love Wolverton Ltd for the disposal of the adjoining Council car park to the Developer be terminated.
5. That the lease of the adjoining car park (necessary for the development of Block C be acquired.
6. That the Council take on the role of developer of the scheme and that the appointment of TOWN, as the Council's Development Manager, be agreed via a direct contract award subject to any agreed variations.
7. That the draft Heads of Terms for leasing the completed development to MKDP, be approved and that the Council agrees to enter into the lease, related agreements and contracts with MKDP.

8. That the Director of Environment and Property in consultation with Cabinet member for Resources, the Director of Finance and Resources, and the Director for Law and Governance be authorised to agree any variations to the Heads of Terms with the Development Manager and MKDP as set out in this report, and to agree any other necessary documents and agreements to effect the decisions made pursuant to this report.
9. That the commencement of a procurement process to appoint an independent consultant, in order to oversee the performance of the professional team delivering the development and as a check on the value for money cost of delivering the development as required, be approved.
10. That the Director of Environment and Property in consultation with Cabinet member for Resources, the Director of Finance and Resources, and the Director for Law and Governance be authorised to engage any external advisors, including legal and other professionals as necessary in order to implement the decisions pursuant to this report subject to such engagements complying with the council's contracts procedure rule.
11. That approval is granted to conduct a procurement processes compliant with the public contracts regulations 2015 for both the demolition of the Agora and the construction of the proposed scheme.
12. That authority is delegated to the Director for Environment and Property, in consultation with the Director for Finance and Resources to approve the award of the demolition contract and the construction contract for the Agora scheme, subject to the contract sums being within the forecast overall budget of £36,590,668.
13. That Cabinet approves the subsidy of £5,719,270.
14. Cabinet recommends to full Council, that Resource Allocation is made within the Capital Programme for £36,590,668.

THE CHAIR CLOSED THE MEETING AT 8.28 PM.