

Wards Affected:

ALL WARDS

ITEM 19**CABINET****25 JULY 2012****University College Milton Keynes**

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Executive Summary

A number of recent developments have seen significant progress towards the Council's ambition to see a substantial, high quality university presence established in Milton Keynes. A partnership involving the Council and the University of Bedfordshire will see the new University College Milton Keynes providing its first courses in September 2012 with a Faculty of Engineering and Technology opening in September 2013. It will also develop selective research and development capacity to integrate with the Council's city wide initiatives such as low carbon, smart cities, telehealth and sporting city. The student headcount is anticipated to be around 1,000 by September 2016. An implementation framework is now being put in place to ensure that all the parties involved understand their new roles and obligations in its delivery. Individual partners are asked to agree the relevant elements of the framework.

1. Recommendation(s)

- 1.1 (a) That the Milton Keynes Community Interim Ambition Statement for university level education (Annex A); and
- (b) That the Memorandum of Understanding (MOU) of MK civic interests and the providers of higher education locally (Annex B,

be agreed
- 1.2 That the University College Milton Keynes Ambition Statement including Key Milestones (Annex C) be noted.

2. IssuesBackground

- 2.1 Milton Keynes Council has a long-held ambition to see a substantial teaching and research university established in Milton Keynes. The vision is for a high quality university presence in the urban centre; a facility offering face to face learning that could, in due course, become a full 'University of Milton Keynes'.
- 2.2 Milton Keynes College took a major step towards achieving this ambition with the opening in 2008 of the University Centre Milton Keynes at 200 Silbury Boulevard. The University Centre in its current form is part of MK College, a Further Education (FE) institution that teaches Foundation Degrees awarded by partner universities. The University of Bedfordshire is currently the lead university for the University Centre and has been the principal HE franchise partner in the city over the past eight years, over which time it has made a significant investment in Milton Keynes

through the allocation to the College of funded students under the franchise arrangement.

- 2.3 On 8th February 2012 the Milton Keynes Higher Education Board (MKHE Board) gave strong, in principle support to a proposition developed by the University of Bedfordshire and Milton Keynes College for the establishment of a substantial new university presence - "University College Milton Keynes" - that includes both teaching and research provision with a planned start up in September 2012.
- 2.4 The new University College will be a wholly owned subsidiary of the University of Bedfordshire. The proposition anticipates rapid growth over the coming years to offer courses at all levels – honours degrees, Master's degrees, and Doctorates – across a range of subjects highly relevant to the needs of the Milton Keynes economy. A student body some 1,000 strong is anticipated by September 2016.
- 2.5 At its heart will be a new Faculty of Engineering and Technology expected to launch in September 2013. This will offer a variety of professionally-recognised degree programmes and will be the home of important research initiatives, such as the Smart Cities Institute and the Centre for Telehealth. The University College will also offer a growing array of courses relevant to business, education and health, as well as a tailored Continuing Professional Development (CPD) provision for local businesses.
- 2.6 The University College will work in partnership with MK College which will continue with its own established and growing programme of HE teaching – mainly vocational higher skills level foundation degrees and HNDs. The title "University College" is subject to approval by the Department for Business, Innovation and Skills. Milton Keynes College and the University of Bedfordshire are working collaboratively on branding to remove confusion going forward.
- 2.7 The University of Bedfordshire plans that the first year of operation from September 2012 can be accommodated via existing FE/HE premises within Milton Keynes. For the expanded provision from September 2013 it is intending to lease and refurbish an existing office building in Central Milton Keynes. The longer-term growth is anticipated to be accommodated as part of a future development within the city, but there is no specific scheme at this stage.

Implementation Framework

- 2.8 A Senior Executive Group comprising representatives of the main parties - Milton Keynes Council, University of Bedfordshire, and Milton Keynes College - has overseen the development of an implementation framework that was presented to the MKHE Board on 4th July 2012. This framework aims to provide a strategic local context and ensure that all the parties involved understand their new roles and obligations in its delivery. The MKHE Board recommended that individual partner organisations now agree those documents within the framework that are relevant to them. In the case of Milton Keynes Council the two relevant documents are:
 - a) Milton Keynes Community Interim Ambition Statement for university level education (Annex A).

- b) Memorandum of Understanding (MOU) between civic interests (the Council and the MKHE Board) and the providers of higher education locally (University of Bedfordshire and MK College) (Annex B).
- 2.9 Taken together, these two documents provide a vision for the values and development of local HE provision in Milton Keynes and an agreement that all partners will work collaboratively in realising this vision. They set out a context within which HE providers in Milton Keynes will be encouraged to operate
- 2.10 The MKHE Board on 4th July also received for comment two vision documents relating to the ambitions of the two current HE providers in Milton Keynes. These will be put to the governing bodies of the individual institutions (University of Bedfordshire and Milton Keynes College) for approval:
- a) University College Milton Keynes Ambition Statement (Annex C)
 - b) Milton Keynes College Ambition Statement
- 2.11 Of particular note within the University College Milton Keynes Ambition Statement is a schedule of key implementation milestones (page xx). It also references the creation of a University College Local Board that will include key representation from the city.

University Trust

- 2.12 A further element of the future Framework for Higher Education will be the establishment of a Milton Keynes University Trust. This new body will, once established, supersede the current MKHE Board and take on strategic oversight of the development of local university provision in Milton Keynes. It will have no direct governance role in respect of individual HE institutions. The Trust is likely to have three main powers: to own, promote and refresh from time to time, the vision and ambition for university level provision in Milton Keynes; to hold community assets for the provision of local university level education in Milton Keynes; and to review at least annually progress towards meeting the terms of their Ambition Statements.
- 2.13 The Council is taking lead responsibility for establishing the University Trust and proposals will be brought forward in due course. The membership of the Trust will be drawn from Milton Keynes and will not include individual HE providers (such as the University of Bedfordshire and MK College) as it will be required to deal with all HE institutions that might seek benefit from the Trust in an even-handed way.

Heads of Agreement

- 2.14 Milton Keynes Council and the University of Bedfordshire as the two principal investors in the University College are developing a "Heads of Agreement" document that will be based on a business plan for the University College. The Heads of Agreement will include matters such as the investment into the University College, the allocation and usage of assets and the relative responsibilities of each party. The proposed Heads of Agreement will be subject

to approval via Cabinet or a delegated decision, dependent on content and timing.

3. **Alternative Options**

Do nothing

- 3.1 The Cabinet could decide that it will not be involved in a partnership to establish University College Milton Keynes. In such a circumstance it is not certain that the University of Bedfordshire would proceed with its investment but even if it did the pace of implementation and level of ambition set out in these papers would be compromised. The opportunity for council influence and integration with programmes (eg. for education) would also be significantly reduced. If the University of Bedfordshire did decide to withdraw then Milton Keynes College's "HE in FE" provision would be the only local university level education in Milton Keynes and much of the momentum of the past four years would be lost. The lack of a higher level teaching and research presence could have a deleterious effect on the city's economic development and inward investment ambitions.

4. **Implications**

4.1 Policy

This initiative implements existing policy. Expanding university education and research is a priority in the Corporate Plan 2012-16, the Core Strategy and the Milton Keynes Economic Development Strategy 2011-16.

4.2 Resources and Risk

The approval of the MOU does not commit Council financial resources to the project. The need for investment will be considered through the proposed Heads of Agreement.

The main Milton Keynes investment to the new University College provision is expected to be from the Milton Keynes Tariff, where the current Business Plan includes £12.15 m of future years' funding for university provision. However, the tariff funding allocation may need to be revised in future depending on the likely levels of income.

Y	Capital	N	Revenue	N	Accommodation
N	IT	Y	Medium Term Plan	Y	Asset Management

4.3 Carbon and Energy Management

The establishment of the Smart Cities Institute within the University College proposition will add to the capacity within Milton Keynes for innovative approaches to reducing CO2 emissions.

4.4 Legal

The MOU commits the parties to working together collaboratively and purposefully on the development of university level education. The MoU sets out the intent of the parties and their commitment to act in good faith: it is not a legally binding agreement, and is not intended to create legal relations. It replaces the Memorandum of Understanding between Milton Keynes Civic Partners and Milton Keynes College of July 2009. Contracts or MoUs between any two or more of the parties to the MoU may be agreed from time to time for specific purposes and, in respect of matters relating to university level education, will be in the spirit and intent of the MoU.

4.5 Other Implications

N	Equalities/Diversity	Y	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder

Background Papers

- (i) 2020 Vision – towards a University of Milton Keynes, MK Higher Education Board, 2009
- (ii) Core Strategy, Submission Version, March 2011
- (iii) Milton Keynes Economic Development Strategy 2011-16
- (iv) Milton Keynes Council Corporate Plan 2012-16
- (v) Local Investment Plan, Consultation Draft, June 2012