

## DELEGATED DECISIONS

**When:** Tuesday 12 March 2024 at 5.30 pm

**Where:** Room 1.02, Civic, 1 Saxon Gate East, Milton Keynes,  
MK9 3EJ

This meeting will not be live streamed, but a recording of the meeting will be available on [YouTube](#) as soon as practical after the meeting

### **Public Speaking**

Persons wishing to speak on an agenda item must give notice by not later than 5.15 pm on the day of the meeting. Requests can be sent in advance by email to [democracy@milton-keynes.gov.uk](mailto:democracy@milton-keynes.gov.uk)

### **Enquiries**

Please contact Jane Crighton on 01908 252333 or [jane.crighton@milton-keynes.gov.uk](mailto:jane.crighton@milton-keynes.gov.uk)

For more information about attending or participating in a meeting please see overleaf.

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For those registering or entitled to speak, facilities will be in place to do so in person or via video / audio conferencing, but this is not guaranteed. From time to time there are technical problems which mean we are unable to enable remote participation. When this happens our meetings will continue, although we will try to provide alternatives options, for example through a telephone call as opposed to a video call.

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## **Agenda**

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## Agenda

### Notice of Intention to Hold the Meeting in Private

The public and press may 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 1972, in order that the meeting may consider the Annexes to the following items.

**1. Award of Contract - Dementia Information and Advice Support Service (Pages 5 - 10)**

Decision to be taken by Councillor Darlington (Cabinet member for Adults, Housing and Healthy Communities).

**2. Approval of MKDP Reserved Matters (Pages 11 - 20)**

Decision to be taken by Councillor Townsend (Cabinet member for Resources).

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# Executive Report



Delegated Decisions - 12 March 2024

## AWARD OF CONTACT - DEMENTIA INFORMATION AND ADVICE SUPPORT SERVICE

Name of Cabinet Member	<b>Councillor Emily Darlington</b> (Cabinet member for Adults, Housing and Healthy Communities)
Report sponsor	<b>Hannah Soetendal</b> Head of Commissioning
Report author	<b>Tonny Kagaba</b> Commissioning Officer <a href="mailto:Tonny.Kagaba@Milton-keynes.gov.uk">Tonny.Kagaba@Milton-keynes.gov.uk</a>

Exempt / confidential / not for publication	<b>Yes – Exempt Annex</b>
Council Plan reference	<b>Commitment 6 - Supporting Vulnerable People</b>
Wards affected	<b>All wards</b>

### Executive Summary

This report is seeking authorisation to award the contract for the Dementia Information and Support Services.

Alzheimer Society currently provide the service under a grant agreement with an annual value of £0.115m. The request to award the new contract is on commissioned agreement at the cost of £0.135m per annum and a lifetime cost of £0.675m over five years.

#### 1. Proposed Decisions

- 1.1 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 I of Schedule 12A of the Local Government Act 1972 in order that the meeting consider the **exempt annex** to the report.
- 1.2 That the contract for Dementia Information and Support Services be awarded to the bidder who has presented the Most Economically Advantageous Tender (MEAT) with the highest score as identified in the **exempt annex**.

1.3 That the contract be awarded for three years, with the option of extending for a further two years, subject to good performance, at the sum of £0.675m.

2. Reason for the Decision

2.1 Agreement to award a contract is sought following an open tender as required by the Council’s Contract Procurement Rules and Financial Regulations.

2.2 The Dementia Support Service is a key component of the council’s plan to support people living with dementia and unpaid carers in particular carers of people living with dementia as set out in the corporate plan for 2022-2026. Commissioning a new service will ensure that people with dementia, their carers and families are continuously supported in a timely manner.

2.3. The service will deliver three key components namely.

- (a) dementia advice and information service;
- (b) dementia support including support groups and activities; and
- (c) support for carers of people living with dementia.

3. Background to the Decision

3.1 The contract for Dementia Information and Support Services has been tendered following permission granted by Delegated Decisions on 19 September 2023.

4. Implications of the Decision

Financial	Y	Human rights, equalities, diversity	Y
Legal	Y	Policies or Council Plan	Y
Communication	N	Procurement	Y
Energy Efficiency	N	Workforce	N

(a) Financial Implications

The annual budget of £0.135m per annum has been agreed.

(b) Legal Implications

The Council has a statutory obligation to support people suffering from dementia under the Care Act 2014. The Council also has a commitment to Milton Keynes under its corporate plan for 2022-2026 to promote independence in older age and increase support for those with dementia by becoming a dementia friendly city.

This report seeks approval and authorisation to award the contract for the Dementia Information and Support Services (DISS) to the successful and highest scoring bidder who returned the most advantageous tender following a competitive procurement process.

To note the award to the successful bidder is for a three (3) year term with an option to extend for a further two (2) year period.

The proposed award is a key decision, consequently the Council is expected to comply with the 28 days prior notice period as required by the Council's Constitution.

The Public Contracts Regulations (PCRs) 2015 apply to this procurement as the value of the contract is above the threshold for services/ supply contracts under the Light Touch Regime (LTR). It is expected that the procurement exercise was conducted in line with the Council's contract procedure rules and Regulations 74 to 77 of the PCRs.

By procuring the DISS via a competitive tender, the Council has demonstrated its commitment as a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness as required under the Local Government Act 1999.

The service department should consult with the Legal Services Department regarding the drafting and execution of the contract to deliver DISS.

(c) Human Rights, Equalities and Diversity Implications

The specification for the service will include explicit requirements fully covering the council's duties under equalities legislation and requiring the dementia support services compliant with the Equality Act. The new service will include monitoring to ensure that the service is accessible to all.

(d) Policies or Council Plan Implications

The Dementia service will support Milton Keynes stated outcome of promoting independence in older age and increase support for those with dementia.

## 5. Alternatives

### 5.1 Decommission the Service (Do Nothing [**not recommended**])

Decommissioning the service is not a viable option as there is an ongoing and increasing need for post dementia diagnosis support in the community. While the council does not have a statutory requirement to provide a community-based service, it is important of the council commitment to making Milton Keynes a Dementia friendly City.

5.2 Carry on with the Current Service, under a Grant Agreement

Due to the total amount, and duration that the service has been funded by grant agreement, this is not an option, under the current financial regulations.

5.3 Commence Open Tender (**recommended and process undertaken**)

It is recommended that a formal tender process to procure a new Dementia information and support service is undertaken. A new service specification will be developed based on best practice, feedback from consultations with stakeholders and alignment with other commissioned and local services.

## 6. Timetable for Implementation

6.1 New contract to commence April 2024.

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### List of Annexes

Annex Dementia Information and Advice Support Service Evaluation (Exempt)

### List of Background Papers

None



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# Executive Report



Delegated Decisions - 12 March 2024

## APPROVAL OF MKDP RESERVED MATTERS

Name of Cabinet Member	<b>Councillor Lauren Townsend</b> (Cabinet member for Resources)
Report sponsor	<b>Michael Bracey</b> Chief Executive
Report author	<b>Catherine Stephens</b> Head of Legal <a href="mailto:Catherine.stephens@milton-keynes.gov.uk">Catherine.stephens@milton-keynes.gov.uk</a> 07443 204584

Exempt / confidential / not for publication	<b>Yes</b>
Council Plan reference	<b>Not in Council Plan</b>
Wards affected	<b>All wards</b>

### Executive Summary

Milton Keynes Development Partnership LLP ('MKDP') is a limited liability partnership whose partners are Milton Keynes City Council (MKCC) (owning 99.9%) and DEVELOPMK Limited (owning 0.1%). The relationship is governed by a Members Agreement.

The Members Agreement contains a list of activities called 'Reserved matters' that cannot be carried out by MKDP without the unanimous agreement of the LLP Members. If MKDP wants to pursue a RM, it must get written approval from MKCC before proceeding. This report seeks that approval.

The Reserved Matter for this report is there being a material change to the MKDP Business Plan which was approved by MKCC on 25 July 2023: the MKDP Business Plan 2023-2027 (the Business Plan). The request is triggered by MKDP's decision that this amounts to a material change in the Business Plan.

The change in the Business Plan relates to dealing with 78 units at Kents Hill Park. The Business Plan anticipated them being placed in the Milton Keynes Housing Company (MKHC) whereas MKDP requests approval to dispose them to a Registered Provider of social housing instead (Registered Provider). This position reflects significantly changed market circumstances and delivers a superior solution which continues to achieve an increased level of affordable housing delivery, standard of accommodation and control of tenants.

The specific changes and supporting business case are commercially sensitive and therefore exempt from publication, but are provided within the **exempt annex**.

## 1. Proposed Decisions

- 1.1 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 I of Schedule 12A of the Local Government Act 1972 in order that the meeting consider the **exempt annex** to the report.
- 1.2 That the material change in the MKDP Business Plan 2023 -2027 which allows the 78 units in Kents Hill Park to be sold to a Registered Provider, be approved.

## 2. Reasons for the Decision

- 2.1 At its Board meeting on 16 January 2024, MKDP decided that 78 residential units at Kents Hill should be sold to a Registered Provider instead of being placed in the MKHC. The terms of this arrangement are commercially sensitive and are contained in Annex A. MKDP also decided that this was a material change in the Business plan triggering the request to MKCC for approval of a Reserved Matter.

## 3. Background to the Decision

- 3.1 The Business Plan contemplated the Kents Hill Park units being placed in the MKHC to 'give the Council certainty that the homes will be managed as affordable housing for the entire length of the lease and provide protection on rents, value for money, viability and the standard of services delivered to MKHC's residents'. This would require a loan from MKCC to fund the purchase of the units by MKHC.
- 3.2 Due to the rapid increase in interest rates leading to a difficulty in agreeing a finance rate with MKCC (and therefore a premium for the long leasehold interest for the properties at Kents Hill Park), MKDP invited offers from external Registered providers for the Kents Hill Park units to demonstrate the expected current value of the plots as a comparison with the MKHC proposal.
- 3.3 When these bids were compared against the MKHC proposals, they were found to be significantly better financial proposals than placing the units in the MKHC. It appears that the bidders are utilising finance that is significantly cheaper than MKDP's cost of capital which is leading to a significant gap between their bids and that of MKHC. This prompts future consideration of the suitability of having a MKHC due to a reduced pipeline and future short term financing difficulties.
- 3.4 Significantly, this proposal maintains the social value that placing the units in MKHC would provide:
  - (a) **Increased Affordable Delivery** - 46% of the Kents Hill Park site will be affordable tenure.

- (b) **Increased Affordable Delivery** - almost half of the affordable to be Social Rented, the remainder Affordable Rent.
- (c) **Increased Standard of Affordable Accommodation** - all affordable plots to be built to Future Homes Standard ahead of building regulation changes.
- (d) **Control of Tenants** - full nomination rights for MKCC in perpetuity, controlled through the ground lease.

3.5 Given the strength of the market response, it appears that a disposal is likely to be the most appropriate route and that not proceeding would lead to subsidy control difficulties and a risk of challenge. MKCC colleagues in planning and housing confirm that this level of affordable rent, and particularly social rented, housing is unprecedented in Milton Keynes. It reflects market conditions: the deal with a private developer at the peak of the private residential market and the current timing of some of the local Registered providers needing to spend grant money before 2026. This should be considered a successful outcome that far exceeds the MKHC proposal for this site.

#### 4. Implications of the Decision

Financial	Y	Human rights, equalities, diversity	
Legal	Y	Policies or Council Plan	Y
Communication		Procurement	
Energy Efficiency		Subsidy	
Workforce		Other	

##### (a) Financial Implications

The financial implications of approving this reserved matter are that this decision will generate additional funding that can be reinvested for public good and to assist with the LLPs objectives.

##### (b) Legal Implications

The requirement for MKCC approval for a Reserved Matter is set out in the Members Agreement. MKCC are able to take this decision if they are satisfied that the material change continues to deliver on the objectives of MKDP.

The intention in the Business Plan to place the units in the MKHC was highly likely to engage the Subsidy Control Act 2022 but if the Reserved Matters is approved that will no longer be a legal consideration.

#### 5. Alternatives

5.1 To refuse to approve the material change within the MKDP Business Plan (which will mean the housing stock is held by the LHC) which is not recommended as it gives MKDP some potentially insurmountable challenges in both financial and broader commercial terms, and which could be unlawful if Subsidy Control provisions were not followed.

5.2 To take no decision which is not recommended as best practice for good governance of Local Authority Owned Companies would support appropriate consideration of decisions as required by the governing documents of the companies concerned.

## 6. Timetable for Implementation

6.1 Immediately upon decision.

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### List of Confidential Annexes

Annex MKDP Board Report, 19 December 2023

### List of Background Papers

Members Agreement

Milton Keynes Business Plan 2023- 2027

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