

Malvern Hills Trust
Governance Committee
By Video/telephone conference
Thursday 4 February 2021 7.00pm

Present: Mr C Atkins, Mr R Bartholomew (Chair), Dr S Braim, Mr D Core, Mr M Davies (non-voting), Mr D Fellows, Mrs C Palmer, Prof J Raine, Ms S Rouse (non-voting).

In attendance: Chief Executive Officer (CEO), Secretary to the Board, Community and Conservation Officer, Dr G Crisp, Mr R Fowler, Dr T Parsons (arrived during item 7), Mr C Rouse, Ms H Stace.

Prof Raine welcomed everyone to the meeting and took the chair.

1. Election of Chair

There was one nomination for Chair and Richard Bartholomew was appointed unopposed.

2. Election of Vice-Chair

There was one nomination for Vice-Chair and Chris Atkins was appointed unopposed.

3. Apologies for absence

There were none.

4. Chair's announcements

- Mr Bartholomew welcomed David Fellows to the committee.
- There had been an article in the Malvern Gazette which had misleadingly implied that if the area became a National Park, it would affect the land ownership. The CEO had responded.
- In connection with the Board meeting on 21 January 2021: MHDC had issued a revised (higher) taxbase figure for 2021/22. The amount payable for a band D property was therefore less than the figure quoted at the meeting.

5. Declaration of Interests

There were no declarations relevant to matters on the agenda.

6. Matters arising from previous meetings (not otherwise on the agenda)

There were none.

7. Governance Changes

Report from Working Group

Prof Raine introduced Paper A. He made it clear that anyone who had not yet taken the opportunity to talk to the Working Group members about their views on governance reform was still welcome to do so. The vast majority of people who

had spoken to the Working Group were keen to see the Trust obtain the necessary permission from the Charity Commission to fund a private Bill and to take the matter forward. It had been suggested that the Trust might revisit the issue of composition and size of the Board.

The following points were made:

- There was a concern that not all Board members had taken the opportunity to express their views to the Working Group.
- There needed to be a target date but it might be difficult to carry out all the necessary work before November 2021.
- A significant amount of work was needed to ascertain the implications, timescales and costs of committing to a Bill, and this needed to be pursued promptly and effectively.
- There was a concern about revisiting the issue of board size and composition – many hours had already been spent in order to reach this point. It might be helpful for new Board members to be able to catch up with the thinking behind the decision which had been reached.
- Taking the governance reforms forward would require a great deal of staff time.

Potential costs

The Secretary to the Board had received an initial estimate from Bates Wells for making the amendments identified to the draft document. The figure given was £7 – 12,000 but it was extremely difficult to estimate accurately at this stage. She suggested budgeting for £20,000. This was for drafting only and further costs would be incurred if, for example, Bates Wells were asked to make the s74 Charities Act 2011 application, or to consult with the Charity Commission to ensure they were satisfied with the final draft prior to starting on the Parliamentary process.

It was also difficult to ensure that Parliamentary Agents, when asked to quote, had a proper grasp of the possible complexities.

The Secretary to the Board confirmed that the Charity Commission would need to give formal consent under s 74 Charities Act and in the course of that application would need to consider whether the projected expenditure was in the best interests of the charity and the justification for making the proposed changes.

The following points were made:

- There was a major piece of work to be done to identify the costs and the benefits of proceeding (including to stakeholders) and to quantify them where possible.
- Could the VAT be reclaimed? The Secretary to the Board confirmed that it could.
- The ongoing costs should also be taken in to account and benefits realisation should be tracked.
- Staff costs needed to be quantified. It was possible that “backfill” may be required for staff diverted from undertaking their normal work.

- Would it be helpful to look at the cost of the previous Bill? The Secretary to the Board said that only a limited amount of information was available. She would circulate what had been found.
- In relation to making a “business case” for the Bill, did the Trust have the capacity internally to carry out the work? Would specialist input be valuable?

The CEO acknowledged that thorough analysis would be required and the Trust should not underestimate how much work would be required.

Process

The Secretary to the Board said that an outline of the process for lodging a Private Bill had been included for information. It was not intended to be complete and changes would be required along the way. The next stage was to collate sufficient information for the Board to be able to make a well informed decision.

The following points were made:

- If a budget was required as part of the build-up of a business case, this would have to be approved by the Board.
- Could Charity Commission consent under s 74 be withdrawn once given, how long would the consent process take and what happened if there was a costs overrun?
- The Trust should take into account the investment of the time and money to date - the Trust was already a long way towards having a draft Bill prepared.
- A “costs/ benefit analysis” was a technical economic model. It might be preferable to use the term “an analyses of costs and benefits”. Trying to monetise the non-financial benefits would lead the Trust into very deep waters.

It was **NOTED** that it would be highly desirable to fully canvass all trustees’ views and concerns about the proposed governance changes at this stage.

On the proposal of Mr Core, seconded by Mrs Palmer it was **RESOLVED** unanimously as follows:

The Working Group having ascertained that there was a desire amongst a majority of Board members to proceed with a Private Bill,

To appoint a Working Group (supported by the Officers) to produce a report setting out why it was in the best interests of the charity to make the governance changes proposed by way of a Private Bill, including the benefits, risks and costs doing so and the benefits, risks and costs of taking no further action.

It was **AGREED** to appoint the Chair of the Board, Chair of Governance Committee and Chair of the Finance Administration and Resources Committee to form the Working Group and for them to appoint such other individuals to the Working Group as they saw fit.

If this Working Group required a budget, it would need to put a case to the Board meeting in March.

On the proposal of Mr Bartholomew, seconded by Mrs Palmer, it was **RESOLVED** unanimously that:

- a) the Secretary to the Board, in consultation with that Working Group, obtain alternative costs estimates for proceeding with a Private Bill.
- b) the Finance and Administration Manager, in consultation with that Working Group, prepare a paper setting out in more details the options and their cost for funding a Bill.

On the proposal of Mr Atkins, seconded by Mr Core, it was **RESOLVED** unanimously that:

A second Working Group be appointed to undertake any necessary preliminary work including:

- a) To carry out further work identified in the Report of the Working Group dated January 2020 (but unless otherwise advised, incurs no external costs at this stage)
- b) Revisiting the proposed changes to Board size and split between appointed and elected trustees and reports back to the Governance Committee
- c) Any further issues relating to the content of the Bill which arose during the process

It was agreed that the question of whether to ask a Parliamentary Agent to attend the Board meeting at which a decision on making the governance changes was to be made should be decided by the Chairs when the agenda for that meeting was prepared.

8. Update on Trustee training

Training had been planned on trustee responsibilities as employers before the first lockdown. This was now being rescheduled.

9. Update from the Working Group set up to look at more efficient ways of conducting meetings

The Working Group had met but some of the issues which they were considering crossed over with matters contained in David Russell's report. It seemed sensible for the group to reconvene after the meeting on Monday.

10. Urgent business

There was none.

11. Date of next meetings

29 April 2021

The meeting closed at 9pm