

10 September 2020

Malvern Hills Trust

Annual meeting of levy payers

By video/telephone conference and live stream

Thursday 10 September 2020 7:00 pm

Present: Mr C Atkins, Mr R Bartholomew, Dr S Braim, Mr D Core, Dr G Crisp, Mr M Davies (Chair), Mr M Dyde, Mr D Fellows, Mr R Fowler, Mrs L Hodgson, Mr T Johnson, Mrs H I'Anson, Mr J Michael, Mrs C Palmer, Dr T Parsons, Mr C Penn, Prof J Raine, Mrs G Rees, Mr C Rouse, Ms S Rouse, Mr J Watts.

In attendance: CEO, Finance and Administration Manager, Secretary to the Board, Mr D Butler.

1. Apologies for absence

Mr D Baldwin, Ms H Stace.

2. Declarations of interest

There were none.

3. To receive the minutes of the meeting held on 12 September 2019 (Agenda item 2)

On the proposal of Mr Davies, seconded by Mr Bartholomew, it was **AGREED** that the minutes of the meeting be signed as a true and correct record.

[It was noted that the audio was not working on the stream of the meeting. There was a short adjournment whilst this was resolved.]

4. Public questions (Agenda item 3)

See appendix.

5. Appointment of auditors for the year 2020/21

On the proposal of Dr Braim, seconded by Mrs Palmer it was **RESOLVED** unanimously by the levy payers present to re-appoint Bishop Fleming as auditors to MHT for the year 2020/21.

6. To receive the annual report and accounts for the year ended 31 March 2020 (Agenda item 4)

Mr Butler explained that the auditors checked the accuracy and fairness of the figures in the accounts and also looked at the charity's systems and controls. He confirmed that the systems and processes were operating correctly and that he was happy to sign off the accounts. Notwithstanding Covid, the audit had been straightforward. On the proposal of Mrs Rees, seconded by Ms Rouse it was **RESOLVED** unanimously to approve the Annual Report and Accounts for the year ended 31 March 2020.

The meeting closed at 8:00pm

10 September 2020

Appendix

Angus and Rosemary McCulloch

Statement 1

As levy payers we wish to record some concern over the significant expenditure on the Charity Commission scheme for modernising the Malvern Hills Acts. Firstly, the project seems to have been prematurely launched, following a meeting with DCMS, before firm written assurances were obtained from the government. Secondly we wonder whether there was ever a sufficiently detailed and costed project plan for monitoring cost and milestones.

Question 1

Could the Trust please outline what deliverables have been produced for this significant expenditure, how much each cost, and how they are to be used in future?

CEO

Work on the Charity Commission Scheme has produced a draft document which with minor adaptations could be used as the basis of a draft future Private Bill. Costs incurred to date for this legal work were £110,990. There has been a full consultation on the proposed changes, the result of which were reported to the Board in March this year. As shown in the accounts £18,903 was spent on that consultation. The output of both these areas of work can be used in any forthcoming work to modernise the Malvern Hills Acts.

Statement 2

We personally agree that modernisation of the Acts is highly desirable, providing the plan can be shown to be affordable over one or more years.

Question 2

So looking to the future, is the Trust now indeed planning to proceed with a Private Members Bill to repeal the old Malvern Hills Acts and replace them with a modern Act?

If so, is there a new outline timetable and some estimation of further costs?

CEO

As the Chair announced at the Board meeting in March, we will investigate how to progress this matter further. That work was suspended shortly thereafter due to Covid-19. We anticipate that investigation work will recommence but as yet there are no further details on costs or timetable.

Question 3

Has a cost benefit analysis been carried out and if so what were the results?

CEO

An early assessment of using the Charity Commission Scheme route identified that the long term benefits to be gained from a modernised set of Acts, which included provision for diversified income generation, would significantly outweigh the shorter term costs of taking the Scheme though.

10 September 2020

Question 4

Is it possible for someone to summarise broadly how the stock market crash, caused by COVID, has affected the current valuation of the Trust's investments?

CEO

There has been volatility in the markets since March. Between 31 March 2020 and 10 August 2020 the Lands Acquisition Fund value increased by 15.4% (the drop for the 2019/2020 financial year for that fund was -7.87%). The Parliamentary and Lands Maintenance Fund value increased during the period March 2020 and 10 August 2020 by 11.9% (in the period 2019/2020 it dropped by 6.55%). The Investment Manager would give a detailed report at the Board meeting following the Levy Payers' meeting.

Clive Drew

Q1. Noting that in excess of £100,000 of Precept Payers' /Public money has been spent to date on the CCS scheme which worryingly has failed completely and by reference to the letter from the CC of 11 March 2020 before the Board Meeting on 12 March; if the Board of Trustees decide upon the possibility of a Private Bill going forward then please will it confirm that it will consult and afford the Precept Payer a full, open and well notified proper consultation period to see if they agree with further expenditure.

I raise this question because it is reported that correspondence between the Trust and the CC should remain confidential which is very concerning.

CEO

The Trust has been working on the changes to its Governing Acts for over 6 years. The Trust was given a very clear indication from the Charity Commission and the DCMS that it would be able to proceed by way of a Scheme but if it cannot, it does not mean that it has failed, but that it needs to use another route. Malvern Hills Trust is a charity and the money which has been spent is charity funds. Nobody will be more concerned to ensure that charity funds are properly used than the trustees and the Charity Commission is required to consent to the use of charity funds for a Private Bill so there will also be independent scrutiny.

Q2. Noting the concerns by the Precept Payer in the CC's letter of 11 March please provide answers to the following:

i) How much more money is this going to cost going forward with a Private Bill when considering the document that I have attached ?

CEO

See answers to previous question.

ii) Taking account the Trust spent over £100,000 of Precept Payers' money why did the working group, that appears to involve Worcestershire County Council, not identify and consider the very serious concerns raised by the Precept Payers in the CCS consultation in its report to the Board on 12 March 2020?

CEO

Worcestershire County Council was not involved in the working group. All comments received in the consultation were very carefully considered.

10 September 2020

Q2. Noting the Trust is receiving nearly £1 million of Public Money of which nearly £500,000 is contributed by the Precept Payer (and so is a Public Body) due to the provisions of all the Malvern Hills Acts and noting the CC is a Government Advisory Public Body, upon what premise of law can the exchange of correspondence between the Trust and CC be considered confidential and why?. I accept on occasions there would need to be confidentiality on some matters but in that case it seems essential that all Trustees must be informed as a decision making body and it appears some were excluded. For what reason?

CEO

The Trust is a charity to which the public contribute through the levy. The Trust is very grateful for that contribution. The correspondence between the Charity Commission and the Trust is confidential. The trustees have been kept informed of the content of the correspondence and it has been provided to the trustees who have requested it strictly on the understanding that it is for their own use in carrying out their duties as trustees.

Katharine Harris

Question 1 for the ANNUAL MEETING OF LEVY PAYERS

The Conservators have spent £130,000 of levy payer's money on a Charity Commission Scheme to change the Governance arrangements. The Charity Commission rejected the scheme because it included controversial proposals that would deprive levy payers of their individual Ward based elected representatives.

- a) Why did the Board proceed with this scheme when in November 2017 the outgoing Chair of Trustees, Mr Hall-Jones pointed to Governance Papers that indicated that the scheme might fail if it included "something controversial". He did not think that the undemocratic selection of half the Board would be acceptable.

It is clear from the minutes of the November 2017 Board meeting that no other trustees exercised their duty to question the proposals but just voted through clearly flawed proposals and recklessly waste more than £130,000 of levy payer's money.

- b) Why did the Board not heed its own warnings and waste our money in this way?

The Secretary to the Board said that the Charity Commission did not reject the Scheme because it included controversial proposals that would deprive levy payers of their individual Ward based elected representatives. This was not part of the reasons for not allowing the Trust to go forward with a Scheme.

Mr Atkins pointed out that the £130,000 was the charity's finds and not the levy payers' money. (Although the levy payers contributed)

Mr Bartholomew said it was not the Charity Commission who objected to the Scheme going forward, but the Department of Culture Media and Sport.

Mr Fowler said the point at issue was that there did not seem to be any discussion.

Ms Rouse said all trustees had made their decisions in full knowledge.

Mrs Hodgson said she read the papers before the meeting and understood what was going on. She was frustrated that the way she voted was being questioned.

Dr Braim said that there had been a great deal of debate over many years on this point. Many different ideas and suggestions came together with a final vote at this meeting.

10 September 2020

Mr Core said there would be an opportunity for all the current trustees to understand the details which went into formulating the proposals. It was not the content of the proposals but the mechanism of using a s73 Scheme.

Question 2 for the ANNUAL MEETING OF LEVY PAYERS

In the March Board Meeting 2020, there was an undertaking that should emergency measure be put in place due to Covid, then the powers of the Covid Committee would 'be limited to making urgent decisions'.

Yet the fact that a Land Management Consultation was launched in mid July, with the cost and work implications involved, means that non-urgent work has been done, together with the approval of non-urgent costs despite the original undertaking.

Whilst I am aware that the current plan expires next year, even the SWDPR has delayed its decision making, so why did the Trust

- i) Authorise the costs for such a non-urgent Consultation and how much has it cost
- ii) Delay the closing date several times (15th August, 31st August, 7th September)
- iii) Run the Consultation over the Summer holiday period again

The Secretary to the Board said that this consultation was approved by the Board last year.