

Malvern Hills Trust
Ordinary Meeting of the Board
The Council Chamber, Avenue Road, Malvern WR14 3AF
Thursday 18 January 2024 at 7 pm

Present: Mrs C Palmer (Chair), Mr D Baldwin, Mr R Bartholomew, Mr R Berry, Mr P Clayburn, Mr D Core, Mr A Cottam, Mr M Driscoll, Mr D Fellows, Mr R Fowler, Mrs L Hodgson, Mr J Michael, Mr C Penn, Prof J Raine, Mrs F Robinson, Mr C Rouse, Mr J Stock, Mrs M Turner, and Mr M Wilkinson.

In attendance: Interim CEO, Secretary to the Board, outgoing Secretary to the Board, Conservation Manager, Finance Assistant, ten members of the public.

Absent: Mrs M Alexander

1. Apologies for absence

Mr J Owenson, Mrs F Victory, Mr M Victory, Prof D Westbury, and Mrs S Wren.

2. Chair's announcements

Mrs Palmer invited Trustees to contribute to the leaving present collection for the Administrative Assistant.

3. Declarations of interest

There were none.

4. Public Comments

See schedule 1.

5. Minutes of the Board Meetings held on 16 and 30 November 2023

Two amendments were proposed to the draft minutes of 16 November.

- Under minute 7 Public Comments, in the answer to question one, the last three words were changed from 'as at present' to 'in the current elections'.
- Six references to 'Charities Commission' were corrected to 'Charity Commission'.

On the proposal of Mr Driscoll, seconded by Mr Bartholomew, it was **RESOLVED** with four abstentions, to approve the minutes of the Board meeting held on 16 November 2023 as amended.

On the proposal of Mr Bartholomew, seconded by Mr Clayburn, it was **RESOLVED**, with one against and two abstentions, to approve the minutes of the Board meeting held on 30 November 2023.

6. Matters Arising

There were none.

7. Appointment to Finance, Administration & Resources Committee

On the proposal of Mr Core, seconded by Mr Penn it was **RESOLVED** unanimously to appoint Mrs Turner to the Finance, Administration & Resources Committee.

8. Land Management Committee

Mr Michael gave a verbal report of the meeting of the committee held on 7 December 2024. This had included a presentation by the Wardens on their day-to-day work, a review of the Winter Works programme, and consideration of the draft Land Management Budgets. A programme of outdoor visits was due to be arranged for 2024 and Trustees were strongly encouraged to attend.

9. Finance, Administration & Resources (FAR) Committee

9.1 Accuracy of the Minutes of the meeting held on 14 December 2023

The Secretary to the Board reported that the following amendments had been proposed to the draft minutes, which had been circulated:

- Under item 6, Public Comments (recorded in Schedule 1), the answer to the second question was 'Nothing has been spent'.
- Under item 7, the sentence 'There was a discussion on the performance of the portfolios' was added at the beginning of the second paragraph.
- Under item 10.1, in the section on Costs of work on a new Malvern Hills Act, the phrase 'and a risk assessment prepared' was added to the end of the second paragraph.
- In the confidential section item 14, the phrase 'to prevent the debt crystallising' was added at the end of the third sentence.

On the proposal of Mrs Hodgson, seconded by Mr Core, it was **RESOLVED** by members of the FAR Committee, with six in favour and one against, to approve the minutes of the meeting held on 14 December 2023 as amended.

9.2 Updates and Questions

Questions on the minutes were invited from Board members, but there were none.

9.3 Adoption of minutes and resolutions

On the proposal of Mrs Hodgson, seconded by Mr Fellows, it was **RESOLVED** with 17 in favour, one against, and one abstention, to adopt the minutes of the meeting of Finance, Administration & Resources Committee held on 14 December 2023.

On the proposal of Mr Bartholomew, seconded by Mr Driscoll, it was **RESOLVED**, with 18 in favour and one abstention, to approve as currently drawn up the Investment Policies for the Parliamentary & Land Maintenance Fund, and for the Land Purchase (1992) Fund.

10. Budget Approval and Levy Setting 2024

The Board received the draft budget for 2024 and a paper of recommendations from the Interim CEO. The Interim CEO went through the paper. She stressed the need for the Board to be able to respond to the concerns raised by staff in their letter of 29 November 2023 regarding high staff turnover. A working group had been set up by Staffing Committee to hold informal discussions with staff and make recommendations for discussion by the Committee and thence to the Board. Although it was too soon for a full analysis, it was already clear that there were issues with capacity and the Interim CEO was therefore asking that a contingency of £30k be included in the staff salary budget in order to give the new CEP flexibility to respond to the recommendations of the Staff Working Group. It was also proposed to retain the Finance Assistant as a full-time post in order to give better support to the Finance & Administration Manager (FAM), and in turn to allow the FAM to provide more effective support to the CEO.

The proposed increase to the staffing budget was likely to be a year on year expenditure, which meant that it would not be appropriate to use reserves. The Interim CEO therefore proposed that the Levy for 2024 should be raised to at least £730k. The Interim CEO confirmed that the incoming CEO was fully supportive of her proposals.

The Interim CEO reported that the Trust had been expecting the taxbase to increase, but since she had prepared the figures quoted in her paper, the Trust had learned that the taxbase in Malvern had in fact fallen, with the average number of Band D properties in the Levy paying area reducing from 13,284.03 to 12,381.30. This meant that if the Levy were set at £697,070 the average Band D percentage increase would be 11.84 equating to a rise of £5.37 or 10.3p per week. If the Levy were increased to £730k, the average Band D percentage increase would be 17.1 %, equating to a rise of £7.76 or 14.9p per week.

There was a robust discussion, with Trustees expressing concern about increasing hardship for local families and acknowledging the risk of potential exposure to public criticism if the Levy were raised above the rate of inflation, set against the need to support, and invest in, the Trust's staff. The Chair of FAR Committee reminded the meeting that if the Levy were increased it would be in perpetuity, whilst if reserves were used, this would be one-off expenditure and the question would come back for the next budget. Mr Berry said that the reserves balance had been £433k at the end of October 2023.

On the proposal of Mr Penn, seconded by Mrs Turner, it was **RESOLVED**, with 18 in favour and 1 abstention, to retain the Finance Assistant as a full-time post.

On the proposal of Mr Bartholomew, seconded by Mrs Hodgson, it was **RESOLVED**, with 13 in favour, five against and one abstention, to include a contingency sum of £30k in the staff salary budget to provide flexibility to respond to the recommendations of the Staff Working Group. It was considered that the approval of the General Fund budget was implicit in this resolution.¹

It was proposed by Mr Driscoll and seconded by Mrs Hodgson that the levy be set at £730,000. There were eight in favour, nine against and one abstention; therefore, the proposal was defeated.

On the proposal of Mr Fellows, seconded by Mr Penn, it was **RESOLVED**, with 14 in favour, one against and five abstentions, to set the Levy at £697,070.

A proposal to consider a sum between these two percentages was not debated.

On the proposal of Mrs Hodgson, seconded by Mr Core, it was **RESOLVED**, with 18 in favour and 1 abstention, to approve the Designated Funds budget for 2024-25.

On the proposal of Mrs Hodgson, seconded by Mr Berry, it was **RESOLVED** unanimously to approve the Restricted Funds budget for 2024-25.

11. Car Park Income to December 2023

It was noted that car park meter takings were £485 over budget and parking charge payments also over budget by £2468. However, takings for resident passes were £6184 and annual passes £1004 *under* budget. Overall, car park takings were under budget by £4235.

On the proposal of Mrs Hodgson, seconded by Mr Fellows, it was **RESOLVED** unanimously that daytime car park meter prices at main car parks should be increased from £5.25 to £5.50 per day from 1 April 2024 and that evening rate parking charges should be increased from £3 to £3.20 per day from 1 April 2024.

On the proposal of Mrs Hodgson, seconded by Mr Bartholomew, it was **RESOLVED**, with 18 in favour and one against, that residents' car parking permits should be increased to £7.50 per annum from 1 June 2024.

On the proposal of Mrs Hodgson, seconded by Mr Bartholomew, it was **RESOLVED**, with 16 in favour and three against, to increase annual car park pass prices to £52.50 per annum, plus £26.75 per annum for a second car at the same address, from 1 April 2024.

12. Governance Committee

Prof Raine gave a verbal report of the meeting of Governance Committee held on 4

¹ For the avoidance of doubt, approval of the General Fund Budget will be brought to the next Board meeting on 7 March 2024.

January 2024. The open meeting had been a short session to elect the Chair and Vice-Chair, and to receive an update on Trustee training.

13. Staffing Committee

Mr Penn gave a verbal report of the meeting of Staffing Committee held on 4 January 2024. The Committee had discussed health & safety issues, proposed updates to the Equality & Diversity Policy, a paper on current staff structure and issues, and the establishment of a working group to respond to the issues raised in that paper and in the staff letter to Trustees of 29 November 2023. Staff interviews, conducted by Mr Penn and Mrs Wren, were almost complete and a report would then be prepared. Mr Penn recorded his thanks to Mrs Wren in her absence for all her work. Mrs Turner recorded her thanks to the Committee for their prompt action.

14. Staff at confidential meetings Policy Review

The Board received a paper from the Conservation Manager recommending minor amendments to the current policy. It was noted that the Policy was routinely reviewed at the start of every new board. On the proposal of Mr Michael, seconded by Mr Clayburn, it was **RESOLVED** unanimously to adopt the revised policy.

15. Private Bill

The Board received a paper prepared by the Interim CEO and outgoing Secretary to the Board, together with an Addendum summarising the outcomes from the Trustee Workshop held on 8 January 2024.

The outgoing Secretary to the Board reported that induction sessions had been held to ensure that Trustees were fully appraised of the problems with the existing Malvern Hills Acts and the proposals to update them. There had been an opportunity to ask any questions of with the Parliamentary Agent (PA). Mr Clayburn asked why the section 74 application documents remained confidential. The outgoing Secretary explained that this was due to the inclusion of cost estimates that had been supplied on a confidential basis, but the other content would be moved into the public domain in due course. There was a simple summary on the public area of the web site of the proposals and what would not change.

In relation to the public consultation, the outgoing Secretary to the Board confirmed that as in 2019, the consultation document would be written in plain English and would put forward all the different elements of the proposed changes.

In relation to the recommendations contained in the paper, Mr Fowler said that the Bill would be a consolidating Bill *with amendments* and would change the law. The outgoing Secretary to the Board confirmed that this was the case and that this was what both the Department for Culture, Media & Sport and the Charity Commission were expecting.

Mr Berry said that there was a clear need to understanding what the risks of taking forward a Private Bill would be and advocated undertaking some consultation at an early stage. He reminded the Board of a request from FAR for a risk assessment and a document summarising costs on an on-going basis. The outgoing Secretary to the Board confirmed that the Trust was in the process of preparing a risk assessment, which would then be sent to the PA for his comments and additions. Mr Michael said that the PA would advise upon where there were potential problems within the proposals put forward by the Trust and that the Board should rely on his expertise.

Mr Berry asked for confirmation that the £306k figure approved by the Charity Commission for legal costs was still current. The outgoing Secretary to the Board confirmed that these were the 2023 figures. He then asked what would happen if costs were going to exceed this figure. The outgoing Secretary to the Board confirmed that the Trust would have to go back to the Charity Commission, but pointed out that if there were a danger of this happening, it should become apparent well in advance. In answer to a question, Mr Core stressed the importance of having a plan and monitoring expenditure against that. A progress report and costs update would be presented to every Board meeting.

On the proposal of Mr Bartholomew, seconded by Mrs Hodgson, it was **RESOLVED**, with 14 in favour, four against and one abstention, that the Trust should seek a Private Bill to update its governance with a view to lodging the Bill in November 2024, and that the new Act would consolidate the existing five Malvern Hills Acts.

On the proposal of Mr Bartholomew, seconded by Mr Clayburn, it was **RESOLVED** with 13 in favour, two against and three abstentions, that all the provisions marked on Paper C Addendum in green were ready to be passed to the PA for him to commence work.

On the proposal of Mr Fellows, seconded by Mr Wilkinson, it was **RESOLVED** unanimously to charge Governance Committee to consider how best to ascertain the views of Trustees and resolve any outstanding issues on those provisions marked on Paper C Addendum in brown.

On the proposal of Mr Bartholomew, seconded by Mr Penn, it was **RESOLVED**, with 16 in favour, two against and one abstention, that, once confirmation was received from the Charity Commission that the Trust might make a loan from the Land Purchase Fund to fund the preparation and promotion of the Bill,

- i. the provisions approved by the Board as ready should be passed to the PA for him to begin work; and
- ii. that he should be asked to consider and advise as appropriate on the action points arising from the 2019 consultation.

The outgoing Secretary to the Board provided a verbal update on costs so far incurred, reporting that there had been no change since the last meeting, with the exception

that there had been a mistake on the invoice from Sharpe Pritchard and that this had now been reduced from £13k to £11,756.90.

16. Dealing with the absence of the CEO

The Board received a paper from the Interim CEO regarding the current arrangements for covering CEO functions and duties in the short-term absence of the CEO. On the proposal of Mr Core, seconded by Mr Bartholomew, it was **RESOLVED** unanimously that the outgoing Secretary to the Board would cease to hold the role of Deputy CEO from 1 February 2024, and that the Interim CEO should decide who might be delegated to take on this role in the future.

17. Proposal of new format for Board agenda

The Board received a proposal from the Interim CEO to reorganise Board agenda . Under this proposal, committee meeting minutes would be approved electronically in advance of Board meetings, and substantive issues such as the Budget and Levy would be placed ahead of minutes and less substantive resolutions on Board agenda. On the proposal of Mr Stock, seconded by Prof Raine, it was **RESOLVED** unanimously to adopt the new format as detailed in the proposal.

18. Urgent Business

There was none.

19. Date of next meeting

7 March 2024.

20. Confidential items

On the proposal of Mr Core, seconded by Mr Bartholomew it was **RESOLVED** unanimously to exclude the public for discussion of an item of urgent business on the agenda on the grounds that publicity would be prejudicial to the public interest by reason of the exempt or confidential nature of the business to be transacted (personnel matters).

The meeting closed at 10.10 pm

Minutes approved by:.....Date:

Schedule 1

Public Comments

1. Graeme Crisp

It was refreshing to hear the newly elected board member for Dyson Perrins Ward at meeting of the Board held on 16th November 2023 describe himself as the representative for the ward where he was elected. It is a pity that this is not recorded in the minutes. I hope that he will support his levy payers by opposing the proposal to inflate the levy well beyond the cost and prices index for the relevant period and beyond the increases sought on the other elements of the Council Tax Bill. That the Board has the power to ask for so much does not mean that the proposed increase is justified. If the Board approves the proposal contained in paper A then I and many others will conclude that MHT abuses the power which it presently has, and that it cannot be trusted with the increased powers that the board are seeking.

2. Katharine Harris

1. On the Minutes of the Finance Meeting 14 Dec 2023 p.21 Qu 2, no answer is printed. Yet when I asked that question (for those who weren't there- Of the £306,000 designated funds, how much has been spent and on what?)

At the Meeting I was told,
'Oh That's easy, Nothing. Absolutely nothing'

Later in the same Meeting it came to light that in fact £13 000 had actually been spent.

I would like to know why these answers not shown in the Minutes

2. On the Addendum section it is proposed that a substantial number of provisions concerning the Private Bill are going to be passed to the Parliamentary Agent 'for him to commence work'-yet there has been no Public Consultation on these issues.

A Public consultation should be carried out first **BEFORE** any provisions are presented to the Parliamentary Agent, not after. As a Public Body MHT should adhere to the Public Consultation guidelines applicable to any Public Body, that is, a Consultation should be done when proposals are at a sufficiently formative stage in the process for responses to be able to have some influence on the policies proposed, with adequate time given to allow proper and informed responses, not after decisions have been taken, especially when it is the Precept payers who are expected to foot the Bill.

3. At the Finance Meeting on 14 Dec 2023, a 5% increase in the levy was discussed; it was clear from the debate that followed, that a number of Trustees felt that this figure was too high given a predicted rate of inflation at 3.5%.

I was therefore shocked to see that it is now proposed by the Interim CEO to double the 5% figure, based on zero factual evidence.

MHT declare that their precept increases 'reflect inflation' but the current proposal is approx. 5x the (2.1 %) rate of inflation forecast for April 2024.

If such an increase is voted through, this would be the second consecutive year of such a substantial increase and is likely to be the largest % increase of any component in the Council Tax, as indeed it

was last year. It will certainly be unpopular and is likely to damage the reputation of MHT in the locality as noted in your 2023 Business plan.

This states:

Large increases in the level of precept charged would be unpopular with precept payers and potentially could bring MHT into disrepute, unless such increases are for specific reasons which are effectively communicated and... shown to deliver major tangible benefits'

I cannot see how MHT has 'effectively communicated' the need for such an increase in the precept with the precept payers or shown that such an increase would deliver 'major tangible benefits'.

The only reason MHT give is 'to alleviate pressure on our financial reserves'. That hardly constitutes 'major tangible benefits'! What about alleviating pressure on hard pressed working households!!

Where are the facts and figures in the Meeting papers which clearly demonstrate the need for such an increase? Such decisions should be open and transparent. Since 2018, MHT have accumulated a surplus of funds each year: in 2023 this surplus was in excess of £40 000, as noted by the outgoing chair in his last report to the Board, so there is clearly no need for such a huge increase in the precept.

It would seem therefore, that the true reason is to accumulate surpluses that can be used to cover the past and future cost of a Private Bill, and then cover the 6% interest rate on a loan from the Land Purchase fund which is to help fund the Private Bill.

I would like to ask how the initially proposed 5%, and the soon to be discussed proposal of 10% translate to actual increases to Malvern Households. My understanding is that due to the increase in local rate rebates, such figures could work out as being considerably more on our bills in April.

This kind of increase feels more like an unjustified raid on people's goodwill and their pockets and demonstrates a total lack of consideration for the Precept payers of Malvern, many who will already be counting every last penny. MHT is a public body and as such is duty bound to consider the impact on the local community instead of viewing it as a limitless source of funding.

This statement exceeded the maximum time allowed by two minutes but was allowed by the Chair.

3. Malcolm McCrae

Under what auspices does the Board propose to submit the Private Bill? Is it from the Public Body that is the Malvern Hills Conservators whose governance mandate is set out in the existing Malvern Hills Acts or is it the unincorporated charity that is the Malvern Hills Trust, which has no legal status.

4. Michael Huskinson

My name is Michael Huskinson a resident of Guarlford for 35 years. I address you on behalf of Malvern Environment Protection Group comprising a large number of residents living between Barnards Green and the village of Guarlford, adjacent or near to the B4211 public highway

Like so many people I am sure that the work MHT does to preserve and enhance the Hills is greatly valued and we always look to MHT to protect the Hills.

I am aware of the perceived need for consolidation of the 5 Acts of Parliament which govern the Trust. I have reviewed salient parts of the Public Consultation Document produced by the Trust in 2019—I am aware that it is now proposed that such consolidation is to proceed by way a Private Bill in Parliament rather than under the Charities Acts.

Such Private Bills bring together a number of Acts of Parliament on the same subject into a single Act of Parliament **without changing the law in any way**. They are used as a way of tidying up areas of statute law that have become fragmented over time.

The Trust is a statutory charitable body existing for public purposes and must in all its dealings act in accordance with its charitable objects and in the best interests of the charity – this will not change if the proposed Private Consolidating Bill becomes law.

I stress that consolidation cannot and must not involve any change in the law. The objects/purposes of the Trust currently include an obligation to preserve as far as possible the natural aspect of the Malvern Hills and to keep the Hills unenclosed and unbuilt on as open spaces for the recreation and enjoyment of the public. In your Public Consultation document you stated that the phrase “the natural aspect” was Victorian language which had no clear meaning in the present day and you proposed a revised form of words namely an obligation (a) to protect, conserve and maintain the **landscape character**, habitats, wildlife, geology, archaeology and **cultural landscape** of the Hills and (b) to keep the Hills unbuilt upon as open space for the recreation and enjoyment of the public.

The Trustees’ view would appear to be that the proposed revised wording involves no amendment of the current objects clause of the Trust and that therefore consolidation by means of a Private Bill is entirely appropriate and can proceed. Others (including Malvern Environment Protection Group) are entitled to and do hold a different view which is that the proposed revised wording of the objects of the Trust involves potentially radical changes in the way the Trust can operate in the future and that simple consolidation is not permissible or appropriate. This is effectively a Consolidation Bill with substantial amendments – a brand new Bill which could change the face of Malvern. The 1884-1995 Malvern Hills Acts have served the Malvern area well over the last 100 years plus and this will be placed in jeopardy should the revised wording of the objects clause be amended in the way proposed by the Trust.

Thank you.