



Malvern Hills Trust

Ordinary Meeting of the Board

Thursday 9 March 2023 7.00pm

**The Council Chamber,
Malvern Hills District Council,
Avenue Road, WR14 3AF**

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Thursday 9 March 2023 7pm

Agenda

1. Apologies for absence
2. Chair's Announcements
3. Declarations of Interest
4. Public Comments
5. To confirm the Minutes of the Board meetings held on 19 January and 16 February 2022 Pages 1 - 12
6. Matters arising from the previous Board meetings not otherwise on the agenda

7. **Land Management Committee**
 - 7.1 To confirm the accuracy of the minutes of the meeting held 15.02.2022 Pages 13 - 18
 - 7.2 Chair of Committee - updates and questions
 - 7.3 Board to adopt the minutes and resolutions
6. **Management proposals for 5 newly acquired land parcels**

That the Board approve the work programme for Stonepit Field, Swinepit Rough, West Field, Colwall Coppice and Norbridge Field for inclusion in the Land Management Plan, including the proposals:

 - i. That the lower part of West Field be sparsely planted (20 – 30 trees) with a mix of orchard and broadleaved trees within the pasture
 - ii. That the Conservation Manager should develop a viable plan for removing the exotic trees and establishing new site appropriate tree/shrub species.
7. **Building at Colwall Lands**

That the Board the expenditure of up to £40,000 from the Parliamentary Fund to construct a building to replace the temporary structure at Colwall Lands.

8. Resident's parking pass policy Paper A pages 19 -22
9. Updates to investment policies Paper B pages 23 - 31
10. Use of Flagstone account Paper C pages 32 - 34
11. Review of CEO's delegated expenditure power Paper D pages 35
12. TOIL buyback Paper E pages 36 - 38
13. Ward boundary changes Verbal update
14. Information
 - 14.1 Management accounts to 31 January 2023 Paper F pages 39/40
 - 14.2 Malvern Spa Association Verbal update
 - 14.3 AONB Joint Advisory Committee No meeting
 - 14.4 Wildlife Panel No meeting
 - 14.5 Recreation Advisory Panel No meeting
 - 14.6 Conservation Manager's Report Verbal update
 - 14.7 Management Report Pages 41 onwards

15. Urgent business

16. Date of next meeting

11 May 2023

17. Confidential business

Resolution to exclude the public for discussion of item 18 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 (HR matter).

Confidential

18. CEO appraisal and pay award

To follow

If you or anyone in your household has experienced any Covid symptoms in the last 7 days, please do NOT attend this meeting unless you have a negative lateral flow test result on the day of the meeting. Symptoms are commonly runny nose, sore throat, headache, fatigue and sneezing and not necessarily a cough, fever or loss of sense of taste or smell.

Members of the public who wish to attend are asked to notify cindy@malvern hills.org.uk (or write to Mrs L Parish at the Trust's office), in advance of the meeting, giving their name, E-mail address and contact number.

As infection numbers remain high, when attending meetings please:

- Wear a face covering once inside unless you are exempt from doing so (or when speaking).
- Use the hand sanitiser provided when you enter and leave the building
- Seats will be placed socially distanced within the venue - please don't move the chairs closer to others unless you have checked that they are happy for you to do so

19 January 2023

Malvern Hills Trust

Ordinary Meeting of the Board

Council Chamber, Avenue Road, WR14 3AF

Thursday 19 January 2023 7pm

Present: Mr C Atkins (arrived during item 5), Mr D Baldwin, , Mr P Clayburn, Mr D Core, Mr M Davies (Chair), Mr D Fellows, Mr R Fowler, Mrs L Hodgson, Mr J Michael, Mrs C Palmer, Dr T Parsons, Mr C Penn, Prof J Raine, Mr C Rouse, Ms H Stace, Mrs M Turner, Mr D Watkins.

In attendance: CEO, Secretary to the Board, Finance and Administration Manager, Mr I Burrows, 2 members of the public.

Please note – reporting items set out on the agenda which were not for decision were dealt with at an online workshop (“the Workshop”) on Tuesday 17 January 2023 which was streamed for members of the public. This action was taken because of the continuing high numbers of respiratory infections in order to shorten the face-to-face meeting.

Mr Davies welcomed everyone to the meeting.

1. Apologies for absence

Mr R Bartholomew, Dr S Braim, Mrs H I’Anson, Dr D Westbury, Conservation Manager

2. Chair’s announcements

- The Chair welcomed Duncan Westbury to the Board.
- A carol concert by Vital Spark before Christmas had been a great success and raised £450 for the MHT tree replacement fund. The Chair thanked Richard Bartholomew for organising the event and Little Malvern Priory for hosting it.
- It was planned to organise a social gathering for staff and trustees.
- There was one item of urgent business.

3. Declarations of interest

Mr Rouse –rights of common over Trust land.

4. Public Comments

See Schedule

5. Any issues arising from the Brewin Dolphin Investment report to the FAR Committee meeting held on 8 December 2022

The Chair welcomed Ian Burrows and Wolfie Papirnik from Brewin Dolphin.

Mr Burrows said there seemed to be a more optimistic economic mood since the turn of the year, although he would not rule out the market moving lower in the near term. The outlook for the domestic economy appeared brighter, and China had lifted most of its Covid restrictions, which should allow economic activity there to get back to a more normal level.

In response to questions, Mr Burrows confirmed MHT had no direct investments in China, Iran, Ukraine or Russia. Although Europe had done a good job of managing disrupted energy supplies, there were continuing risks associated with war in Ukraine in particular the threat of use of nuclear weapons by Russia, or changes in the Russian leadership.

He believed the impacts of Brexit were already priced into the markets. The Trust's portfolio was diverse and there was little exposure to UK specific Brexit related issues – eg the Northern Ireland import/export markets and businesses heavily reliant on migrant labour. Inflationary pressure from rising service costs was now a potentially more significant than the cost of goods and limitations in the labour market could prove a problem in the future.

6. To approve the Minutes of the Board meetings held on 10 November 2022

On the proposal of Mr Clayburn, seconded by Prof Raine it was **RESOLVED** (with 1 abstentions) to approve the minutes of the meeting held on 10 November 2022.

7. Matters arising from the previous Board meeting not otherwise on the agenda

Mr Fowler said that the Chair had stated that the Board would seek to form a closer relationship with levy payers and he was surprised not to find a resolution confirming that on the agenda. Mr Fowler suggested a discussion to produce some action points. The CEO said that there was an outstanding action to have a second workshop on this topic. Following this, the matter could be brought back to the Board.

8. Appointment of Duncan Westbury to Land Management Committee

On the proposal of Mr Davies, seconded by Ms Stace it was **RESOLVED** unanimously to appoint Dr Westbury to the Land Management Committee.

9. Appointment of Governance Committee

On the proposal of Mr Core, seconded by Mrs Palmer it was **RESOLVED** (with 1 abstention) to appoint the following to the Governance Committee:

Mr Atkins
Dr Brain
Mr Clayburn
Mr Core
Mr Fellows
Prof Raine
Ms Stace

10. Finance Administration and Resources Committee

10.1 On the proposal of Mr Core, seconded by Mrs Hodgson it was **RESOLVED** by the committee members present to confirm the accuracy of the minutes of the meeting held on 8 December 2022.

10.2 There were no updates or questions

10.3 Adoption of the minutes

On the proposal of Mr Core, seconded by Mr Fellows it was **RESOLVED** unanimously to adopt the minutes of the meeting held on 8 December 2022.

11. Investment Risk Levels

The Finance and Administration Manager introduced the paper. The Finance Administration and Resources Committee had discussed whether a change was required to protect the capital value of the Land Purchase Fund against investment fluctuations in the event that the Board wished to borrow from it to fund a Private Bill.

Mr Burrows confirmed that Brewin Dolphin had 10 categories of investment risk level. The Trust funds were currently invested at risk level 6, based on their long term investment strategy. If significant funds were likely to be required in the next 2 years or thereabouts it would be wise to reconsider the position. It would make sense to split the fund to take into account any short term requirements.

Points made in discussion included:

- There was a clear risk in leaving the money invested in the stock market and finding that it crashed just as the Trust needed to withdraw funds. Equally if the fund was split so there was lower exposure to stock market investments, and the market improved, the Trust could lose money.
- Would it be better to wait to withdraw the money if it was not required straight away? It was premature to start making investment decisions when there was no permission to apply for a Private Bill.
- There was a reasonable expectation that the Bill would progress. The proposed strategy would allow the Trust to crystallise gains which had been made over the longer term by moving funds to a more stable investment.
- A lot of changes had happened in the period since the cost and benefit exercise had been undertaken.
- Trustees were not experts in investment and the advice given by the Trust's investment managers was sound.

There was then a discussion about the appropriate investment risk level for the money it was proposed to draw down. Mr Burrows explained that to reduce investment risk, funds had to be moved out of the stock market (which potentially meant lower returns), and trustees had to decide what level of risk they were prepared to tolerate. Would it be prudent, if funds were required in the short to medium term, to take a gamble that the stock market would keep rising? Short term timing was a consideration - the market was no longer low, but the main issue was what was the most sensible strategy for the charity.

He detailed how much of a portfolio would be invested in the stock market in each risk category and the largest historic fall in the market for each category.

Category 6 – 68.5 % in the stock market. Maximum historic fall 26.4 %

Category 5 – 52.5 % in the stock market. Maximum historic fall 21.5 %

Category 4 - 36 % in the stock market. Maximum historic fall 16 %

Category 3 - 18.5 % in the stock market. Maximum historic fall 10 %

He suggested moving the funds to risk category 4 as starting point for discussions but categories 3 or 5 would also in his view be a reasonable judgement. With risk level 4, 1/3 of the portfolio would be invested in fixed interest products – UK gilts, corporate bonds etc with the balance in “alternatives” (all other things – commercial property, infrastructure, precious metal etc). Historically risk level 4 had given a return of about 5 % pa.

The amount of the fund which should be in the 3 tranches was also considered. Mr Core said the overall cost of a Private Bill had been estimated at £400,000. He suggested moving £150,000 as the amount required to prepare the Bill, with £200,000 to be spent whilst the Bill was progressing through its various stages. He suggested that the first tranche of the funds to be withdrawn following the decision. The re-investment of the second tranche should be at the discretion of Brewin Dolphin.

Mr Fowler asked about repayment of the loan. Mr Core said repayment of the loan had been covered at past meetings and repayment would come from all sources of funds. The Finance and Administration Manager added that costs and benefits analysis also looked at the financial benefits from the changes proposed.

On the proposal of Mrs Turner, seconded by Mrs Hodgson it was **RESOLVED** (with 3 votes against) that:

Land Purchase fund be split into 3 parts:

- i. £150,000 should be drawn down now and invested through the Flagstone platform to obtain the best short-term return,
- ii. £200,000 be taken out of the main portfolio, timing at the discretion of Brewin Dolphin, and continue to be invested through RBS Brewin Dolphin but at risk level 4.
- iii. The balance to remain invested at the current level of risk.

The Board reviewed the risk level on the Parliamentary & Lands Maintenance Fund portfolio and on the proposal of Mr Core, seconded by Ms Stace it was **RESOLVED** unanimously that the fund should continue to be invested at risk level 6.

Mr Burrows and Mr Papirnik left the meeting.

12. To approve the budget and set the levy for 2023/24

The Finance and Administration Manager went through the papers, including draft 3 of the budget incorporating the changes agreed at the FAR meeting. The tax base for the next financial year had increased, so that the percentage increase for MHDC levy payers on the basis of the budgeted figure, would be 8.3 % (Band D levy £44.76 - an £3.42 increase from the previous year).

In respect of the levy the following points were made:

- The budget showed a deficit, which was not a good position. Given the increase in the tax base was there the opportunity to reduce the deficit and still have less than a 10% increase? There was a legal obligation to look after the Hills and the budget to fulfil those obligations had been carefully prepared.
- What would the weekly increase in the levy payable be, were it to be raised by 10%. The Finance and Administration Manager said 6.6p.
- The council tax bill would show a percentage increase. The Trust should not look for a 10% increase just because others may be doing that. The Trust should be able to live with a £40,000 deficit.
- Would the Trust seem to be grabbing when everyone else was suffering?
- Any failure to increase the levy appropriately in line with increasing costs this year would have a knock-on effect on future years. The money would never be made up. The Trust had fallen into this trap before.
- If an appropriate increase was not made this year, the Trust would be faced with above inflation increases in future years.
- Deficit budgets were not what the Trust should be looking at.
- If the Trust hadn't spent £145,000 on the proposed governance changes the Trust would still have that money. The CEO made the point that what was under consideration was the general fund budget.
- The Trust's income was not only from the levy – other sources of income would also bear a percentage increase. The CEO said that the levy on average accounted for 42% of the Trust's income. One of the key things in the cost and benefit analysis was that the governance changes would give the Trust greater flexibility to fund raise.

On the proposal of Ms Stace, seconded by Mr Core it was **RESOLVED** (10 votes in favour 7 against) to set the levy for 2023/24 at £663,800.

The Board then considered the budget. With that amendment to the levy the budgeted deficit would be £26,900.

On the proposal of Ms Stace, seconded by Mr Core it was **RESOLVED** (with 1 vote against and 2 abstentions) to approve the general fund budget with the one amendment to the amount of the levy as set out above but otherwise as drawn.

On the proposal of Mr Core, seconded by Mrs Hodgson it was **RESOLVED** unanimously

1. That car park meter prices in the main car parks be increased to £5.25 per day from 1st April 2023,
2. That 2 meters be installed at Old Hills with a £2.50 daily charge from 1st April 2023,
3. That Residents' passes be increased to a cost of £7 per annum from 1st June 2023,
4. That Annual pass prices be increased to £50 per annum plus £25 per annum for a second car at the same address, from 1st April 2023,

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

- a. That the designated funds budget for 2023/24 be approved and
- b. That the restricted funds budget for 2023/24 be approved.

Mr Davies thanked the CEO and the finance team for all of their hard work. Mr Core thanked the Finance and Administration Manager not only for her hard work this year, but for the previous 20 years, as this would be her last budget for the Trust.

13. Car park evening tariff

The CEO went briefly through the paper. The proposal to charge a different rate for parking after 6pm would be run for one year as a trial.

On the proposal of Mr Fellows, seconded by Mrs Palmer was **RESOLVED** unanimously that an evening tariff of £3.00, valid from 6.00 pm onwards, be introduced from April 1st 2023, to be reviewed in the early part of 2024.

14. Worcestershire Pension Fund triennial valuation results

The Finance and Administration Manager went through the paper. The funding level of the pension had increased from 69.2% to 74.8% so the deficit had reduced. The deficit contributions would increase over the course of the next 10 years, whilst the deficit was being paid off.

The Trust had been offered the opportunity to pay the deficit contribution annually rather than monthly and over the next 3 years this would make a saving of £5,020. The Finance and Administration Manager had been asked whether it was better to continue to pay monthly and put the balance on deposit. This year the benefit would be evenly balanced so there was no particular benefit in investing the money and it was administratively easier to make a single payment.

Mr Penn asked if the commitment to the pensioners turned out to be less than the actuarial estimates, would the Trust get money back. The Finance and Administration Manager suggested the Trust might take advice on the closing calculation when the time came. Mr Core pointed out that as the youngest member of the scheme was under 40, the pension scheme was a long term commitment.

Mr Fowler said this year's increases in salaries might make the position worse.

On the proposal of Mr Clayburn, seconded by Mrs Hodgson was **RESOLVED** unanimously that the Board agree to pay the next 3 years' deficit contributions to Worcestershire Pension Fund in April of each year.

15. Land Management Committee

15.1 On the proposal of Mr Clayburn, seconded by Mrs Turner it was **RESOLVED** by the Committee members present to approve the accuracy of minutes of the meeting of the meeting on 1 December 2022.

15.2 Updates

There were none.

15.3 Adoption of minutes and recommendation

On the proposal of Mr Rouse seconded by Mr Clayburn it was **RESOLVED** unanimously to adopt minutes of the meeting of 1 December 2022.

16. Easement application Rosedale, Park Road, West Malvern

The CEO introduced the paper. This was an application for additional vehicular access for residential use. A site visit had taken place. There was already a double width access. The issue for determination this evening was whether the property “*appearing to the Conservators to lack satisfactory access*”. This was a prerequisite under the Acts to the granting of an easement.

There was a brief discussion. It was generally agreed that whatever sympathy there was for the residents, the property did appear to have satisfactory vehicular access and the trustees were constrained by the wording of the legislation.

On the proposal of Ms Stace, seconded by Mr Clayburn it was **RESOLVED** (with 1 abstention) that the property already had satisfactory vehicular access.

17. Boundary Commission review

The CEO gave an update on what had happened since the November Board meeting. Harriet Baldwin MP had written to the Department of Levelling Up Housing and Communities (DLUHC). She said that when she did not receive a reply, she had tabled a Parliamentary Question asking when the Minister would respond. She was then offered a meeting with the Minister which was due to take place on 31 January. Prior to that Mrs Baldwin would attend the Trust’s officers for a briefing session (on 27 January). There would be a report back to the Board after the meeting with DLUHC,

The Trust’s Parliamentary Agent had also been chasing a response to his original letter to DLUHC which had included a summary of the Trust’s case. He was eventually offered an online meeting with Officers from the Department (the Officers) on December 16th. The Officers had stressed the Department’s other commitments and were not convinced that the need for an order now was not the result of past inaction. It was agreed that the Trust would submit details of previous Local Government Boundary changes and the reasons why no amendment to the Trust’s Acts was required as a result. The Trust’s Parliamentary Agent had sent this information to the Officers on 6 January.

The CEO was concerned that time was very short to get a process in place to make the necessary changes to the Acts.

Mrs Palmer and Mrs Turner congratulated the staff on the progress they had made.

Mr Davies brought to the attention of the Board a request to the Secretary to the Board from Mr Fowler, asking for copies or transcripts of any communications regarding this issue from the Charity Commission or others. There was a discussion about the reasonableness of this request and the amount of staff time which might be taken up in dealing with it. Mr Davies offered a meeting with Mr

Fowler and the CEO to discuss the request further. The consensus of the meeting was that the provision of further information might wait until after the meeting with the Minister.

The CEO said that legal costs to date were just over £8,000.

18. Staffing Committee

18.1 On the proposal of Mr Baldwin, seconded by Prof Raine it was **RESOLVED** by the Committee members present to approve the accuracy of minutes of the meeting of the meeting on 5 January 2023.

18.2 Updates

There were none.

18.3 Adoption of minutes and recommendation

On the proposal of Prof Raine, seconded by Ms Stace it was **RESOLVED** unanimously to adopt minutes of the meeting of 5 January 2023 and that the Estate Supervisor role be confirmed as being on Scale 6 of the NJC pay scale.

19. Authority to execute documents

Mr Davies summarised the paper. Mr Rouse said he did not see any reason why the Land Management Committee should not be included in the list of potential signatories. The CEO said the purpose of the proposal was to affirm the 4 people who could sign deeds, in circumstances where the Board had previously agreed to purchase land.

On the proposal of Mr Davies, seconded by Mr Core it was **RESOLVED** (with 1 vote against) that where the Trust had agreed to acquire land and the document effecting the transfer to the Trust were required to be executed on behalf of the Trust, any two of the following:

Chair of the Board

Vice-Chair of the Board

Chair of Finance Administration and Resources Committee

Vice-Chair of Finance Administration and Resources Committee

were authorised to execute the deed in the name of and on behalf of the Trust.

20. Information

The new Finance and Administration Manager was Helen Barber. She had previous experience of working both for charities and in private practice.

20.1 Malvern Spa Association

The theme for the Well Dressing would be Kings and Queens.

20.2 AONB Joint Advisory Committee

20.3 Wildlife Panel

20.4 Recreation Advisory Panel

20.5 4Cs

20.6 Management Report

The above items were reported on in detail at the Workshop.

21. Urgent Business

The CEO reported that there was a section of bank next to a stone wall at Earnslaw car park which was starting to erode and collapse. It required attention and it was proposed to extend the wall for a further 4m to retain the bank. The cost of constructing the wall would be around £5,280. The work was expected to take 5 – 8 days. There was also a need for traffic control at a cost of about £3,265 (depending on how long the job took).

On the proposal of Mr Davies, seconded by Mrs Palmer it was **RESOLVED** to authorise expenditure of up to £10,000 from the Parliamentary Fund to build a retaining wall.

22. Date of next meeting

9 March 2023.

The meeting closed at 9.20pm

DRAFT

Schedule

Katherine Harris

In relation to the precept:

1. The proposed 10% increase in the precept for the next financial year represents a significant increase when salaries in many professions are not due to rise by anything like this amount. With staffing being one of the largest costs of any organisation I hope there are no plans to further extend the staffing levels at MHT for the foreseeable future.
2. Precept paying households are an easy target for seeking increased funding, but at a time when many are struggling to meet their energy bills, cutting back on food shopping, delaying large expenditure items and so on a 10% increase demonstrates a lack of awareness of the financial pressure households are currently facing including those with working adults. What similar economies are being made by MHT to reduce their expenditure thereby minimising any precept increase?

DRAFT

Malvern Hills Trust
Ordinary Meeting of the Board
Council Chamber, Avenue Road, WR14 3AF
Thursday 16 February 2023 7pm

Present: Mr C Atkins, Mr R Bartholomew, Dr S Braim, Mr P Clayburn, Mr D Core, Mr M Davies (Chair), Mr D Fellows, Mr R Fowler, Mrs L Hodgson, Mr J Michael, Mrs C Palmer, Mr C Rouse, Mrs M Turner, Mr D Watkins.

No attendance: Mrs H I'Anson Dr T Parsons,

In attendance: CEO, Secretary to the Board, 2 members of the public.

Mr Davies welcomed everyone to the meeting.

1. Apologies for absence

Mr D Baldwin, Mr C Penn, Prof J Raine, Ms H Stace, Dr D Westbury,

2. Chair's announcements

There were none.

3. Declarations of interest

There were none.

4. Public Comments

There were none.

5. Impact of Malvern Hills (Electoral Changes) Order 2023

A workshop had been held for trustees on Monday 13 February to deal with any questions about the situation in which the Trust now found itself. The Secretary to the Board invited any comments or questions on the paper. She clarified that a trustee had attended the briefing with Harriet Baldwin but the meeting in London was Mrs Baldwin's meeting with the Minister. Staff had only attended to deal with any technical questions which might arise. In answer to a question she confirmed that if this change to the Acts was to be made, in all probability the arrangements would be changed again when and if the Trust's proposed governance changes were progressed.

On the proposal of Mr Davies, seconded by Mr Bartholomew it was **RESOLVED** (with 2 votes against)

- a. That the CEO should file a serious incident report (SIR) with the Charity Commission setting out that the wording in the Malvern Hills Acts in relation to the conduct of elections no longer reflects the MHDC warding arrangements.
- b. That if the opportunity is presented, the Malvern Hills Act 1924 should be amended so that in section 7(2), in substitution for "Seven persons to be elected by the local government electors for the urban district of Malvern

(one person by each of the seven wards of the said district)" the Act should read:

- i. One person to be elected from the combined parishes of Malvern Wells and Little Malvern
- ii. One person to be elected from the parish of West Malvern
- iii. 5 persons to be elected from the parish of Malvern Town

The CEO confirmed he would file the SIR on Friday and make a copy available to trustees. He stressed that there was no offer at present to take these changes forward and Trust staff were not aware of any other short term options for the Trust if the options currently identified did not offer a resolution. The Secretary to the Board thanked Mrs Baldwin for her efforts on the Trust's behalf.

6. Urgent business

There was none.

7. Date of next meeting

9 March 2023.

The meeting closed at 7.15pm

Malvern Hills Trust

Land Management Committee

Gueston Suite, Lyttelton Well, 6 Church St, Malvern WR14 2AY

Wednesday 15 February 2023 at 7:00 pm

Present: Mr C Atkins, Mr D Baldwin, Dr S Braim (Chair), Mr P Clayburn, Mr M Davies (non-voting), Mr J Michael, Dr T Parsons, Mr C Rouse, Mrs M Turner, Dr D Westbury.

In attendance: Conservation Manager, Secretary to the Board, CEO.

Dr Braim welcomed everyone to the meeting.

1. Apologies for Absence

Mr R Bartholomew, Mrs C Palmer, Ms H Stace, Mr Gardner (grazier).

2. Declarations of Interest

Mr Rouse –rights of common over Trust land.

3. Chairman’s Communications

Dr Braim welcomed Dr Westbury to his first meeting since becoming a trustee.

4. Public Comments

There were none.

5. Matters arising from previous meeting

There were none.

6. Management proposals for 5 newly acquired land parcels

The Conservation Manager showed a PowerPoint presentation highlighting the key features of the sites.

Colwall Coppice

The following points were made:

- In relation to the western part of the wood (which it was planned to thin) would it be possible to ring bark some of the trees rather than removing them to create standing dead wood?
- Would the trees which were left on the western side recover their shape or would it be better to remove them all and start again? The Conservation Manager said that the consensus of opinion was that if correctly selected the remaining trees should recover once they had more light and space.
- Should the ash be left to die? The Conservation Manager said it was impossible to know when and if the trees would die and the work to clear the congestion should be carried out before the condition of the standing trees became worse.

West Field

The Conservation Manager had invited a decision on tree planting on West Field. The broad consensus during the site visit was low density planting on the lower two thirds of the field so that the trees would not impact on the views from the top nor on the grassland.

The following points were made:

- What was the purpose of having an orchard? The Conservation Manager said it was away of increasing tree cover. The fruit could be harvested or left for wildlife. Dr Westbury said there needed to be a clear objective in planting an orchard. There were a lot of wilding approaches which could be used without involving orchard trees. The Secretary to the Board pointed out that the Trust's charitable objectives in the Acts were preserving the natural aspect and any community benefit from harvesting fruit would have to be ancillary to that.
- Would they be old varieties on standard rootstock?
- Could the field not be left as it was and used as a hay meadow?
- An option was to take a cut hay around the trees but this made the operation much more difficult.
- Fruit trees required maintenance, which would add ongoing cost.
- Had there been historic orchards on the west side of the Hills?

The meeting was split on which was the best option. A vote was taken on a proposal from the Chair to have a sparse well managed orchard with 20/30 trees in the pasture. There were 5 votes in favour and 4 against. The Chair then proposed an alternative, and it was **RESOLVED** (6 votes in favour and 3 against) that 20/30 trees be planted with a mixture of orchard and broadleaf trees within the pasture. Dr Braim asked the Conservation Manager to consider whether that mixture would work.

Norbridge Field

The Conservation Manager explained that what he meant in the paper by "a peripheral site" was not a geographical reference but that it was a site with no designations and by comparison with some other parts of the estate, would command relatively lower input. It needed a simple management regime.

The following points were made:

- Could wild flowers be planted around the fence?
- There was a suggestion that it was not necessary to keep making the ground poor. The CEO said that this meadow was already species rich and enriching the land would allow more aggressive grasses to take over.

Stonepit Field

The management regime would be similar. The Conservation Manager spoke about where the walking routes might be connected. A bridge would be required but no estimate had been obtained. The Conservation Manager thought grant funding might be available for the bridge.

The Conservation Manager said that no water supply for stock was available in either field and he suggested the simplest option would be for the Trust to purchase a bowser at a cost of around £4,000. This could then be used at other sites as necessary. The other option was to install a permanent water supply. Purchase of a bowser was agreed in principle and would be put into the capital equipment budget for consideration by the Board.

Swinepit Rough

The decision required was on removal of the conifers and their replacement. A more detailed plan would be worked up. If all the trees were removed at the same time, a contractor had indicated that they would carry out the work at no cost in return for retaining the timber.

Comments included:

- Could some of the Scots Pine be retained? Do some of the exotic conifers have an ecological role to play? The Conservation Manager said that all of the trees would have a use for some species. However, they were taking the place of a native tree which would provide much greater wildlife and landscape benefit. Some of the Scots Pine might be retained.
- If all the conifers were removed in one go it would have a big impact on the species currently using them.
- There was a risk if some conifers were taken out it might mean other trees would be affected by windthrow. The Conservation Manager estimates that one in six of the trees in the woodland were conifers.
- Should all the conifers be taken out – could you choose to retain some?
- The green trees brightened the countryside up in the winter.
- The CEO said this was potentially an ancient woodland site, and could be restored back to a woodland with more ground flora. This would be more appropriate in this setting.

On the proposal of Dr Braim it was **RESOLVED** (with 2 votes against) that the Conservation Manager should develop a viable plan for removing the exotic trees and establishing new site appropriate tree/shrub species.

Dr Braim asked that the plan be brought back to the committee for consideration.

The Conservation Manager went through a table of the planned expenditure (see Schedule) for the sites, some of which had already been approved. Grant funding would be available for a number of items. He anticipated licencing a grazer to graze the grassland areas once the works were carried out.

On the proposal of Dr Braim, seconded by Mr Clayburn it was **RESOLVED** unanimously to recommend approval of the Work Programmes to the Board for inclusion in the Land Management Plan (subject to the resolutions set out above)

7. Building at Colwall Lands

The Conservation Manager said that Mr Gardner sent his apologies but did support the provision of an additional building at Brockhill Road. Suitable housing

and in-bye land was needed to effectively support management by grazing of the Northern and Central Hills.

The CEO went through the supplementary paper which set out the power available to trustees to approve the expenditure.

Mr Rouse said that the grazier did not need to lamb the sheep and he had been told that landlords put things up and charge 15% interest on the buildings.

The CEO said that the buildings were provided as part of the licence agreement to graze the Northern and Central Hills. They were part of the in-bye land provided to support the grazing. Breeding lambs to follow on enabled the lambs to become hefted, which would be much more difficult to do with sheep which were bought in. The grazier was required to produce a business plan to support his application for the grazing licence. Not allowing the grazier to lamb the sheep would change the economics of the grazing arrangement on which the business plan was based. The CEO suggested that Mr Rouse should declare an interest and the Secretary to the Board confirmed to the meeting that the previous grazier was Mr Rouse's son. Dr Westbury asked whether in future the Trust might find it difficult to find people prepared to graze the Hills. Having facilities like the buildings would make the grazing a more attractive proposition.

On the proposal of Dr Braim it was **RESOLVED** (with one abstention) to recommend to the Board the expenditure of up to £40,000 from the Parliamentary Fund to construct a building to replace the temporary structure at Colwall Lands.

8. Mountain biking

This paper had been deferred from the previous meeting. The Conservation Manager and Community and Conservation Officer had met Mrs Turner and been through her questions. Mrs Turner was concerned about the damage which off road bikes caused to the Hills, the use of electric bikes and the increasing number of cyclists. She asked whether there were any plans to include anything in the proposed governance changes in relation to cycling on the Hills. The Secretary to the Board said the difficulties were practical, and any suggestions on how the byelaws could be better enforced were welcome.

Unauthorised mountain biking was a problem for many organisations who managed open access areas, not just the Trust. The Conservation Manager read a press release from the Forestry Commission outlining their plans to close some trails in the Wyre Forest. Education was a key tool but there was a category of cyclists who knew the rules but did not abide by them. This was the hardest group to tackle. The issue of cycling on the Hills was a matter which would be kept under review.

9. Outdoor visits 2023

The CEO suggested a meeting on Old Hills in April. The other topic for an outdoor meeting was tree and scrub control. The CEO would endeavour to arrange a meeting in an area where the field staff were carrying out work.

10. Urgent business

There was none.

11. Date of next meeting

Next meeting: 13 April 2023.

Mr Parsons wanted to raise an issue about the condition of Park Wood. He thought it was dangerous and was a complete jungle. He said that you could only walk on the paths. It was explained that the agreed Land Management for Park Wood was for around 30% of the wood to be managed as a coppice and in that part, the coppicing operations were carried out on a seven year rotation. This was a traditional method of management that improved biodiversity and the work took place at this time of year. The Conservation Manager had checked the site today and was happy there were no hazards beyond what would normally be expected in an active coppice woodland setting. There was a notice up explaining to the public about the coppicing operation.

The meeting closed at 8.45pm

DRAFT

caital items for new lands				
site	no./length	cost	grant fundable?	board approved?
SWINE PIT ROUGHS				
boundary fencing ad hoc		200	n	✓
WEST FIELD				
Livestock fencing	345m	2760	y	✓
hand gates	2	800	y	
orchard trees	40	750	y	
tree guards	40	1600	y	
STONE PIT FIELD				
handgate	1	400	y	
livestock fencing	275m	2200	y	✓
NORBRIDGE FIELD				
access bridge	1	4000	y	
livestock fencing	500m	4000	y	✓
hand gate	1	400	y	
field gate	1	250	y	✓
tree planting	6	250	y	
UPPER PURLIEU FIELD				
livestock fencing	320m	2560	y	✓
hand gates	2	800	y	
field gate	1	250	y	✓
mobile bowser	1	4000	n	
other	1	1000	n	
total		26,220		

Ordinary Meeting of the Board
Parking passes – terms and conditions
9th March 2023

A draft 'terms and conditions' document for the Trust's car parking passes has been drawn up for approval by the Board. It contains NO CHANGES to the existing arrangements, but compiles all the information into a single document.

This covers both Levy Payer passes and Annual passes and is intended to provide clarity on:

- Eligibility for passes,
- The application process,
- Use and replacement of passes
- The public counter
- Data protection.

Recommendation

That the Board review and approve the terms and conditions document

Duncan Bridges
CEO
6th February 2023



Parking passes – terms and conditions

Contents

1. Eligibility
2. Applications for parking passes
3. Use of passes
4. Public counter
5. Zero tolerance policy
6. Data protection

These terms and conditions for the issue of car park passes were approved by the trustees of Malvern Hills Trust on [insert date] 2023 and may be varied at any time.

All car park passes are issued at the discretion of Malvern Hills Trust and in the event of a dispute over eligibility, the Trust's decision is final.

1. Eligibility

Levy Payer Parking Pass

- a. Residents living within the Levy Paying area (the parishes of Malvern Town, Malvern Wells, West Malvern, Colwall, Guarlford and Mathon) may apply for Malvern Hills Trust car park passes at a concessionary rate.
- b. Passes are valid for a specified vehicle only, and that vehicle must be registered at the applicant's address. Passes are not transferable.
- c. The price of a levy payer pass is set annually by the Board of Trustees.
- d. Proof of the applicant's address and copy of the vehicle registration document (V5C) must be produced each time a pass is requested or renewed.
- e. The pass should be removed from the vehicle if it is sold or scrapped.
- f. Passes can be issued for a maximum of 3 vehicles per address provided that all vehicles are registered to that address.
- g. Levy Payer parking passes are valid from 1st June to 31st May the following year.

Annual Parking Pass

- a. Annual parking passes for Malvern Hills Trust car parks are available to anyone who does not qualify for a Levy Payer pass (see above).
- b. Annual passes are valid for 12 months from date of purchase and are valid for a specified vehicle only. Passes are not transferable.
- c. The price of an Annual Pass is set annually by the Board of Trustees.
- d. The pass should be removed from the vehicle if it is sold or scrapped.
- e. An applicant who has more than one vehicle registered to their address may apply for a second annual pass which is available at a concessionary rate.

2. Applications for parking passes

General

- a. Parking passes can be purchased either online, by post or directly from the MHT Office. Please check the website (www.malvern hills.org.uk) for further details (including a copy of the application form for online and postal applications, office opening hours and prices). For postal and email applications an additional charge of £1.00 is made to cover the cost of postage if no stamped addressed envelope is provided.
- b. The Trust is unable to process passes until payment in full has been received.

Annual passes

Annual passes can also be purchased by phone, between 10am and 3:30pm, Monday to Friday. This option is not available for Levy Payer passes due to the requirement to provide proof of eligibility.

Levy Payer Parking Passes

- a. Levy payers parking passes are available from May onwards to run from 1 June to 31 May of the following year.
- b. The following documents are required as proof of eligibility, and both must be provided with each application:
 - Current Driving Licence or Council Tax bill showing the levy payer's name and address
 - Copy of V5C Vehicle Registration Document for each vehicle

MHT reserve the right to request further evidence of eligibility if necessary.

- c. Alternative proof of address may be needed for leased vehicles.

Replacement passes

If you change your vehicle (or your registration number) **you need to remove and retain the pass**. If you bring your old pass into the office, we will issue a pass for use in your replacement vehicle. There is an administration charge of £1.00.

Lost passes

Please note if you are unable to return your current pass, you will be charged full price for a replacement.

3. Use of passes

- a. Parking Passes are valid only in pay and display car parks on land under the Trust's jurisdiction. They are not valid in any other car parks (eg those run by Malvern Hills District Council).
- b. Parking is available in Trust car parks between the hours of 6am and 11pm only.
- c. Passes must be affixed to the windscreen or side window of the vehicle for which they are issued, in a position where they are clearly visible. A charge for use may be issued if the pass is obscured or has fallen off.
- d. The parking of vehicles on Trust land is subject to the Malvern Hills Trust's Byelaws and the conditions displayed at the car park.

- e. No responsibility is accepted for loss or damage to vehicles or their contents whilst parked on Trust land.

4. Public counter

- a. The office is open to the public from 9:00am to 3:30pm Tuesday to Friday (closed Mondays). It is NOT open on Bank holidays or between Christmas and the New Year.
- b. If visiting the office, please ensure that you have the correct paperwork to avoid delays.
- c. The office is open for the sale of car park passes only. Should you have any other queries, please email info@malvern hills.org.uk and your query will be dealt with as soon as possible.
- d. During the months of May to August our administration team receive a large number of parking pass applications. We will aim to process your application within 14 days but cannot guarantee this.

5. Zero tolerance policy

Malvern Hills Trust has a Zero Tolerance Policy towards violence or aggression. Verbal or physical abuse and threats towards our staff and volunteers will not be tolerated under any circumstances.

If you display such behaviour you will be asked to leave immediately.

6. Data protection

All personal information provided to Malvern Hills Trust will be securely held and is subject to the provisions of the General Data Protection Regulations. The information will only be used to record your purchase and to contact you in the event of any queries. It is confidential and will not be passed on to any other person or organisation. For further information on Malvern Hills Trust's privacy policy please see the website www.malvern hills.org.uk

Ordinary Meeting of the Board
Investment policies
9th March 2023

Following the resolutions passed at the Board meeting held on 19th January 2023, the investment policies for the Land Purchase (1992) fund and the Parliamentary & Land maintenance fund have been updated.

The Land Purchase (1992) fund policy reflects the split of the fund between risk categories 4 and 6, as agreed by the Board. Both policies include updated tables showing the benchmark allocation for the various types of investment included within each risk category, which have been provided by RBC Brewin Dolphin.

Recommendation

That the Board review both policies and authorise the Chair of the Board and the Chair of the Finance, Administration & Resources Committee to sign the investment policies for the Land Purchase (1992) fund and the Parliamentary & Land maintenance fund on their behalf.

Helen Barber
Finance & Administration Manager
6th February 2023



Investment Policy Statement - Land Purchase (1992) Fund
March 2023

Introduction

Malvern Hills Trust (MHT) is a charity whose purpose is the conservation of the Malvern Hills and Commons for public benefit. MHT has approximately £600,000 invested in its Land Purchase (1992) Fund. This is the largest fund within the Charity's financial assets, which is intended solely for future acquisitions of land.

The Charity's Aim

The principal financial objective of MHT in respect of this Fund is to maintain its purchasing value.

Investment Powers

The assets of MHT must be invested in accordance with the Trustees Act 2000.

The Trustees of the charity have authorised the Chair and the vice Chair of the Finance, Administration and Resources Committee to be responsible through the Chief Executive Officer for giving instructions to an expert financial management service ('the Investment Manager') to manage their investments made in respect of the Land Purchase (1992) Fund. It is understood that the Investment Manager is an authorised person within the meaning of the Financial Services and Markets Act 2000.

This document requires the appointed Investment Manager to make the day to day decisions regarding investments within the Fund with the Trustees setting out the structure and parameters in this document.

Investment Objectives and Attitude to Risk

The charity needs to produce the best financial return with a moderate level of risk.

The charity's principal objective is to generate a return (net of costs, including reinvestment of earnings) sufficient to maintain the purchasing value of the Land Purchase (1992) Fund.

The Trustees understand that in order to manage inflation risk, this is likely to mean that investments will partly be in real assets, such as equities and that in the short-term the capital value could fluctuate.

The charity's assets can be invested widely and should be diversified by asset class, geographical spread, and by sector and security. Asset classes that the Trustees consider could be included within the portfolio are cash, fixed interest products, equities, commercial property, private equity, commodities and any other asset that may be agreed to be suitable for the charity. Access to these asset classes could be achieved directly or via collective investment vehicles such as unit or investment trusts. No single direct equity investment should exceed 5% of the total value of the portfolio and no single investment in a collective fund should exceed 10% of the value of the portfolio.

Investments in negotiable instruments known as 'derivatives' are not permitted without prior approval of the Trustees

The Finance, Administration & Resources Committee is charged with agreeing a suitable asset allocation strategy with its Investment Manager, which is set with the aim of achieving the charity's investment objectives.

The RBC Brewin Dolphin Risk Category 4 is used as a guide for the structure of £250,000 of the portfolio and provides a ready measure of its performance. The balance of the portfolio will be invested under RBC Brewin Dolphin Risk Category 6. The RBC Brewin Dolphin Risk Categories 4 and 6 are structured as follows:

	RBC BD risk category 4	RBC BD risk category 6
UK equities	12.5 %	24.0 %
International equities	23.5 %	44.5 %
Fixed interest products	33.0 %	17.0 %
Cash	5.0 %	2.5 %
Commercial property	6.5 %	3.0 %
Alternatives	19.5 %	9.0 %

The Trustees would not expect the Investment Manager to invest more than 10 percentage points away from all the above asset classes without specific authority. This means the likely ranges for each asset class would be as shown below:

	RBC BD risk category 4	RBC BD risk category 6
UK equities	2.5 % - 22.5 %	14.0 % - 34.0 %
International equities	13.5 % - 33.5 %	34.5 % - 54.5 %
Fixed interest products	23.0 % - 43.0 %	7 % - 27 %
Cash	0 - 15.0 %	0 - 12.5 %
Commercial property	0 - 16.5 %	0 - 13.0 %
Alternatives	9.5 % - 29.5 %	0 - 19.0 %

Taxation

The Investment Manager is required to assist the charity in reclaiming taxation levied on earnings in the portfolio where feasible.

Currency

The base currency of the charity's operations and liabilities is sterling and therefore the majority of the investment portfolio should be based in sterling. Investments may be made in non-sterling assets but should not exceed more than 40% of the total investment portfolio.

Credit

Any cash balances held by the investment managers should be deposited with suitable institutions with at least an "A" investment grade credit rating or better. Similarly, any fixed interest exposure should be focused on investment grade issuers.

Liquidity Requirements

For land acquisitions, the charity may need capital from the portfolio, thus funds must be invested in assets quoted on a Recognised Investment Exchange and unit trusts and OEICs (open ended investment companies) authorised under the Financial Services and Markets Act 2000. The Trustees will endeavour to provide the Investment Manager with as much notice as possible when funds are needed for the acquisition of land.

Time Horizon

The charity is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure its sustainability over the long-term. The charity can therefore adopt a long-term investment time horizon.

Ethical Considerations

Malvern Hills Trust exists to protect the Malvern Hills and commons. Climate change poses a threat to the unique environment we care for. The Trust has therefore excluded any fossil fuel, mining and quarrying companies from its investment portfolio since 31st March 2021.

The policy will also exclude individual investments which are perceived to conflict with the charity's purpose.

Management Reporting and Monitoring

The Chair and Vice-Chair of the Finance, Administration & Resources Committee have responsibility for agreeing investment strategy and monitoring the investment assets.

The Trustees have appointed the Investment Manager to manage the portfolio on a discretionary basis in line with this policy. The Investment Manager provides custody of assets via its nominee arrangements as authorised and monitored by the Financial Conduct Authority. The Investment Manager will produce an AAF 01/06 report in respect of its nominee company annually and should be available on request.

The Investment Manager is required to produce a valuation and performance report on a quarterly basis to include:

1. A full listing of the investments with details of their cost, current market value, estimated income and income yield.
2. Statistics detailing the fund's performance and its risk characteristics.

3. Details of purchases, sales and realised gains and losses since the previous report.
4. Details of any non-market transactions, rights issues, capitalisations etc.
5. Outlook for the markets.

Investment Manager's review.

The Investment Manager will attend a Trustees' meeting at least twice a year and will meet the Chair of the Finance, Administration and Resources Committee and the Finance and Administration Manager at least twice a year. The charity's financial year end is the 31st March and the above required reporting should match the charity's financial calendar.

Approval and Review

This Investment Policy Statement has been prepared by Board of the Malvern Hills Trust to provide a framework for the management of the Charity's investment assets. It will be reviewed on a regular basis to ensure its continuing appropriateness.

Signed on behalf of the trustees

Michael Davies, Chair

David Core, Chair, Finance, Administration & Resources Committee

Date 9th March 2023



Introduction

Malvern Hills Trust (MHT) is a charity whose purpose is the conservation of the Malvern Hills and Commons for public benefit. MHT has approximately £500,000 available for investment in its Parliamentary and Land Maintenance Fund (the 'additional funds'). These are part of the Charity's financial assets, being part of the restricted funds. The Parliamentary Fund is for the acquisition of land or other capital assets. Income from the fund can be used for general charitable purposes. Income from the Lands Maintenance fund is to be used for the maintenance of the Trust's land at Townsend Way.

The Charity's Aim

One of the financial objectives of MHT is to maintain the real value of these funds but also to take income from them whenever feasible.

Investment Powers

The assets of MHT must be invested in accordance with the Trustees Act 2000.

The Trustees of the charity have authorised the Chair and the vice Chair of the Finance, Administration and Resources Committee to be responsible through the Chief Executive Officer for giving instructions to an expert financial management service ('the Investment Manager') to manage their investments made in respect of the Parliamentary & Land Maintenance Fund. It is understood that the Investment Manager is an authorised person within the meaning of the Financial Services and Markets Act 2000.

This document requires the appointed Investment Manager to make the day to day decisions regarding investments within the Fund with the Trustees setting out the structure and parameters in this document.

Investment Objectives and Attitude to Risk

The charity needs to produce the best financial return (capital growth and income) with a moderate level of risk. The Trustees understand that in order to manage inflation risk, this is likely to mean that investments will partly be in real assets, such as equities and that in the short-term the capital value could fluctuate.

The charity's additional funds can be invested widely and should be diversified by asset class, geographical spread, and by sector and security. Asset classes that the Trustees consider could be included within the portfolio are cash, fixed interest products, equities, commercial property, private equity, commodities and any other asset that may be agreed to be suitable for the charity. Access to these asset classes could be achieved directly or via collective investment vehicles such as unit or investment trusts. No single direct equity investment should exceed 5% of the total value of the portfolio and no single investment in a collective fund should exceed 10% of the value of the portfolio.

Investments in negotiable instruments known as 'derivatives' are not permitted without prior approval of the Trustees

The Finance, Administration & Resources Committee is charged with agreeing a suitable asset allocation strategy with its Investment Manager, which is set with the aim of achieving the charity's investment objectives. The RBC Brewin Dolphin Risk Category 6 is used as a guide for the structure of the portfolio and provides a ready measure of its performance. The RBC Brewin Dolphin Risk Category 6 is structured as follows:

	RBC BD risk category 6
UK equities	24.0 %
International equities	44.5 %
Fixed interest products	17.0 %
Cash	2.5 %
Commercial property	3.0 %
Other Alternatives	9.0 %

The Trustees would not expect the Investment Manager to invest more than 10 percentage points away from all the above asset classes without specific authority. This means the likely ranges for each asset class would be as shown below:

	RBC BD risk category 6
UK equities	14.0 % - 34.0 %
International equities	34.5 % - 54.5 %
Fixed interest products	7.0 % - 27.0 %
Cash	0-12.5 %
Commercial property	0-13.0 %
Alternatives	0-19.0 %

Taxation

The Investment Manager is required to assist the charity in reclaiming taxation levied on earnings in the portfolio where feasible.

Currency

The base currency of the charity's operations and liabilities is sterling and therefore the majority of the investment portfolio should be based in sterling. Investments may be made in non-sterling assets but should not exceed more than 35 % of the total investment portfolio.

Credit

Any cash balances held by the investment managers should be deposited with suitable institutions with at least an "A" investment grade credit rating or better. Similarly, any fixed interest exposure should be focused on investment grade issuers.

Liquidity Requirements

For land acquisitions and other capital purchases, the charity may need capital from the portfolio thus funds must be invested in assets quoted on a Recognised Investment Exchange and unit trusts and OEICs (open ended investment companies) authorised under the Financial Services and Markets Act 2000. The Trustees will endeavour to provide the Investment Manager with as much notice as possible when funds are needed.

Additions of capital to the additional funds may also be made from time to time. The Investment Manager is required to remit any interest and/or dividend income to the charity's nominated bank account.

Time Horizon

The charity is expected to exist in perpetuity and investments should be managed to meet the investment objective and ensure its sustainability over the long-term. The charity can therefore adopt a long-term investment time horizon.

Ethical Considerations

Malvern Hills Trust exists to protect the Malvern Hills and commons. Climate change poses a threat to the unique environment we care for. The Trust has therefore excluded any fossil fuel, mining and quarrying companies from its investment portfolio since 31st March 2023.

The policy will also exclude individual investments which are perceived to conflict with the charity's purpose.

Management Reporting and Monitoring

The Chair and Vice-Chair of the Finance, Administration & Resources Committee have responsibility for agreeing investment strategy and monitoring the investment assets.

The Trustees have appointed the Investment Manager to manage the portfolio on a discretionary basis in line with this policy. The Investment Manager provides custody of assets via its nominee arrangements as authorised and monitored by the Financial Conduct Authority. The Investment Manager will produce an AAF 01/06 report in respect of its nominee company annually and should be available on request.

The Investment Manager is required to produce a valuation and performance report on a quarterly basis to include:

1. A full listing of the investments with details of their cost, current market value, estimated income and income yield.
2. Statistics detailing the fund's performance and its risk characteristics.

3. Details of purchases, sales and realised gains and losses since the previous report.
4. Details of any non-market transactions, rights issues, capitalisations etc.
5. Outlook for the markets.

Investment Manager's review

The Investment Manager will attend a Trustees' meeting at least twice a year and meet the Chair of the Finance, Administration and Resources Committee and Finance and Administration Manager at least twice a year. The charity's financial year end is the 31st March and the above required reporting should match the charity's financial calendar.

Approval and Review

This Investment Policy Statement has been prepared by Board of the Malvern Hills Trust to provide a framework for the management of the Charity's investment assets. It will be reviewed on a regular basis to ensure its continuing appropriateness.

Signed on behalf of the trustees

Michael Davies, Chair

David Core, Chair, Finance, Administration & Resources Committee

Date 9th March 2023

Ordinary Meeting of the Board Flagstone deposit platform 9th March 2023

At the Board meeting held on 8th September 2022 it was agreed to open an account on the Flagstone deposit platform and to transfer 3 tranches of £85,000 to deposit accounts on the platform, with a review in 12 months. The Flagstone platform is a cash management vehicle. Deposits are placed through the platform with a range of well-known banks.

It took a while to get the account opened due to the time needed for security checks on our large number of trustees. The first deposits were placed in January 2023. The 3 tranches of £85,000 have been placed on the following:

1. A 6-month notice account with Santander, paying 4.65 % ,
2. A 3-month fixed term account with HSBC, paying 3.28 %
3. A 1-month fixed term account with Sainsburys Bank, paying 2.51 % (this is due to mature on 16th February 2023, a new rate of 3.05 % is now available)

An administration fee of 0.25 % is payable.

A table is shown overleaf estimating the additional interest being earned, as compared to having left the deposits with Lloyds and CAF Bank. The additional interest earned (calculated using the current rates available on the old accounts) will be over £1,600 after deduction of fees. On an annual basis, an additional £4,500 could be earned.

MHT currently has 2 deposit accounts, a Charity Bank 40-day notice account (currently paying 1.87 %) and a Lloyds Bank 32-day notice account (currently paying 1.7 %). The Finance & Administration Manager has authority to move funds between the deposit accounts and current account. Both deposit accounts and the Flagstone platform can only make payments back to the Trust's current account with Lloyds Bank.

The Flagstone platform is offering flexibility, security and access to higher rates of interest. It has proved to be a simple and secure tool for managing the Trust's cash funds, making it easier to exploit the current high rates of interest available.

In order to maximise its potential earnings, the Board is now asked to consider bringing the review date forward to this meeting and agreeing to move more funds onto the Flagstone platform. This may mean having individual deposits greater than £85,000 (the amount covered by the Financial Services Compensation Scheme {FSCS} guarantee). If that is the case, it is proposed deposits only be placed with institutions with a credit rating of BBB or above.

The recommendations below reflect the above and also propose an additional level of control by requiring the Finance & Administration Manager to consult with the Chair of the Finance, Administration & Resources Committee before transferring funds onto the deposit accounts and Flagstone platform.

Recommendation

1. That movements of funds (as distinct from withdrawal of funds for expenditure) between the current account, the two deposit accounts and the Flagstone platform will be at the discretion of the Finance & Administration Manager in consultation with the Chair of the Finance, Administration & Resources Committee
2. That should deposits with any one FSCS registered organisation be greater than £85,000, the institution chosen should have a credit rating of BBB or above.

Helen Barber
Finance & Administration Manager
22nd February 2023

Date	Institution	Amount £	Rate	Less fee	Net rate	Term months	Interest £	Taken off	Current rate on former account		Additional interest £	Annualise d additional interest £
10/01/2023	HSBC	85,000	3.28 %	0.25 %	3.03 %	3	643.88	Lloyds 32 day notice	1.70 %	361.25	282.63	1130.5
11/01/2023	Santander	85,000	4.65 %	0.25 %	4.40 %	6	1870.00	CAF Gold	1.35 %	573.75	1296.25	2592.5
16/01/2023	Sainsburys Bank	85,000	2.51 %	0.25 %	2.26 %	1	160.08	CAF Gold	1.35 %	95.63	64.46	773.5
											1643.33	4496.5

Ordinary Meeting of the Board
CEO's delegated authority
9th March 2023

At the Board meeting held on 20th January 2022 it was resolved that the CEO's authority to approve unbudgeted expenditure be increased to £20,000 in total (with a limit of £10,000 on any single item) until 31st March 2023. This additional authorisation was to be exercised in consultation with the Chair of Finance, Administration and Resources Committee.

This is now due for review.

The CEO's authority was increased from £10,000 annual total (£5,000 per single item) during the covid emergency period and extended last year. This was done to avoid having to call meetings to authorise unexpected expenditure. As the emergency period is over, the increased total is no longer needed. However, it is proposed that due to rapidly increasing prices, the annual total be changed to £15,000, with a £7,000 single item limit and also keeping the input of the Chair of Finance, Administration and Resources Committee for single items in excess of £3,000.

Recommendation

That with effect from 1st April 2023 the CEO be granted authority to approve unbudgeted expenditure up to a total of £15,000 per financial year (with a limit of £7,000 per single item), to be exercised in consultation with the Chair of the Finance, Administration and Resources Committee for single items over £3,000.

Helen Barber
Finance & Administration Manager
14th February 2023

Ordinary Meeting of the Board

Staff annual leave and overtime balances

9th March 2023

Background

MHT staff have 25 days leave (rising to 30 after 5 years' service), plus 10 bank holidays per annum in a normal year. Staff are not normally paid for overtime but rather are required to take overtime as 'time off in lieu' (TOIL) of payment.

MHT's policy, as stated in the Employee Handbook, is that up to 7 days' annual leave may be carried forward, at the discretion of the CEO. The requirement is for TOIL to be taken within 1 month wherever possible.

Following the COVID lockdowns in 2020 and 2021, many staff had been unable to take annual leave and had worked many overtime hours. This was a nationwide problem. Recognising this, the government issued a Statutory Instrument (2020 No. 365) 'Terms and Conditions of Employment'. This amended the Working Time Regulations 1998, to allow employees who had been unable to take leave as a result of the coronavirus to carry forward leave for the following 2 leave years.

The regulations only related to statutory leave (20 days per annum, pro rata for part time staff) and they did not cover bank holidays, enhanced leave and overtime. Under the Statutory Instrument, staff were able to carry forward up to 20 days' leave from 31st March 2021, to be used by 31st March 2023.

The Statutory Instrument over-rode MHT's 7-day policy on 20 days annual leave. However, it was decided that it would be in the interests of both staff and the organisation to allow staff to carry forward all of their unused annual leave plus TOIL for this extended period, to avoid a rush to take leave before 31st March 2021. It was agreed at the Board meeting held on 21st January 2021 to make the following additions to the carry forward provisions for staff annual leave in the Employee Handbook:

1. 'to allow all untaken annual leave (including bank holidays) as at 31st March 2021 to be carried forward and used before 31st March 2023',
2. that the carry forward provisions for TOIL in the Employee Handbook has the following added – 'that overtime balances outstanding at 31st March 2021 can be carried forward, to be used before 31st March 2023'.

In July 2022 the Board resolved to extend the carry forward period to 31st March 2024 as unused balances were still high.

An update was given to the Staffing Committee meeting held on 5th January 2023 (see paper C to that meeting).

The Staffing Committee considered various options (as outlined in the paper) and agreed to recommend that a paper be prepared for the March Board meeting setting out the cost of paying staff for accrued TOIL to 31 March 2023 in order to help clear balances. Further consideration was also to be included in the paper of the proposal that a percentage of annual leave should be booked by a certain date.

Paying off accrued TOIL – cost

To help manage outstanding leave brought forward, the Staffing Committee discussed staff be offered payment for their accumulated TOIL. TOIL balances outstanding as at 22nd February totalled 212 hours. The cost of paying the 5 members of staff concerned for these hours, including on-costs (employer's National Insurance and pension contributions) would be £4,500.

Moving forward, further consideration should be given to introducing a policy of paying staff for overtime. It is proposed that a paper on this be brought to the May Staffing Committee with budgetary issues being taken to June FAR Committee.

Carry forward of unused annual leave

Employers are now required to move back to only allowing staff to carry forward annual leave over and above the statutory leave of 20 days plus 8 days Bank Holidays. For MHT staff with less than 5 years' service, this would mean a carry forward of 7 days, and for those with more than 5 years' service a carry forward of 12 days (both pro rata for part time staff). MHT will need to clearly communicate the ending of the post-covid special provisions and the Employee Handbook will need to be updated to reflect this.

There are currently 2 employees who will have balances above these thresholds at 31st March 2023. They will need to be told that these balances are to be reduced to the 12 days or less by 31st March 2024, otherwise the excess leave will be forfeited.

Management of annual leave

Controls will need to be put in place to ensure staff use their leave in future. The following suggestions are put forward for consideration:

1. Booking leave

Introducing a deadline by which staff must book annual leave would help manage annual leave and encourage staff to take it. It is proposed that staff be required to book all but their carry forward entitlement (7 or 12 days) by 31st December each year.

2. Employer's right to insist on booking leave

Employers have a right to insist that staff take leave. To do this, they need to give staff notice which is twice as long as the leave to be taken, e.g. 5 days leave 10 days' notice would have to be given.

Recommendation

1. That staff are offered payment for outstanding TOIL balances as at 31st March 2023 and the HR Consultant be asked to draft a letter to affected staff about this,
2. That a deadline of 31st December be introduced for staff to book statutory annual leave (20 days plus 8 days bank holidays) each year,
3. That the employee handbook be updated to reflect the revised carry forward provisions (7 days for staff with less than 5 years' service and 12 days for staff with more than 5 years' service) and the annual leave booking deadline, again with input from the HR Consultant,
4. That a letter be drafted to all staff explaining the annual leave booking deadline and carry forward provisions (also with help from the HR Consultant),
5. That a policy of paying for overtime be considered further at the next meetings of the Staffing and Finance, Administration & Resources Committees.

Cheryl Gentry
Finance & Administration Manager
22nd February 2023

Ordinary Meeting of the Board Management accounts for the 10 months ended 31st January 2023 9th March 2023

The management accounts for the 10 months ended 31st January 2023 are attached for information. Ten months into the financial year the Trust general fund surplus is £24,000 better than budget. The following points should be noted:

Income

Total income for the 10 months to January 2023 was in line with budget. Significant variations within the income lines to budget are as follows:

1. Car park takings were £12,000 below budget. These were challenging to forecast after the busy post-covid period.
2. Easements and wayleaves were £20,000 ahead of budget. This was mainly due to a £14,000 wayleave payment from Gigaclear.
3. Sundry income has exceeded budget by £9,000, mainly due to the Employment Allowance of £5,000 and payments relating to the Lowland Common Test and Trial (staff time) of £3,000.
4. Profit on disposal of fixed assets was £19,000 behind budget as the expected disposed this year of a field staff vehicle has been deferred.

Expenditure

Total expenditure for the 10 months to January 2023 was £37,000 below budget with significant variances from budget commented on below:

1. Vehicle and equipment expenses were £5,000 above budget. This is due in part to £2,200 unbudgeted expenditure approved by FAR Committee for a tractor clutch replacement and there have also been increased fuel costs.
2. Tree work is £21,000 behind budget as we are waiting for Council permissions to do the work.
3. Communications and public engagement expenses are £17,000 below budget due to lack of staff availability.
4. Legal and professional fees are £14,000 below budget. As Trustees will be aware the budget for this can only be a best estimate as we cannot predict issues requiring legal advice. However there has been a £15,000 transfer to a designated fund for legal advice in relation to Boundary Commission issues.
5. As was reported to the January Board meeting there will be an overspend on staff costs in 2022/23 as summarised below:

Increase to staff costs budget 22/23 outlook to 23/34		
	£	£
Staff costs budget 2022/23		662,400
21/22 late NJC award backdated	14,000	
Regrades following benchmarking	20,000	
Pay awards 22/23	37,400	
Lump sum payment reduction	(300)	
		71,100
Staff costs budget outlook 22/23 at Dec 22		733,500

Detail on the designated and restricted funds are detailed on pages 2 and 3 of the figures.

Looking forward

No material changes are anticipated to the outlook presented to the Board in January, being a deficit after transfers of £58,000.

Helen Barber
Finance & Administration Manager
21st February 2023

MANAGEMENT REPORTS 6 January 2023 – 24 February 2023

CEO

1. Finalizing lease and maintenance works for St Ann's Well and toilets.
2. Undertaking inspection of all buildings for insurance valuation.
3. Undertaking induction process for new Finance and Administration Manager and recruitment for Field Staff Vacancy.
4. Work on matters relating to Local Government boundary changes and forthcoming election, including filing Serious Incident Report.
5. Further work on P&D parking provision and arrangements for April onwards.
6. Ongoing work on projects - Lower Shed redevelopment, Donkey Shed restoration and St Ann's Well bowl renovation, car park surfacing contractors and Earnslaw wall construction.
7. Dealing with boundary and easement issues or queries – Barnards Green, West Malvern, Hall Green, Park Road, Poolbrook Road, Hayes Bank Road and others. .
8. Liaison meetings with internal and external staff on utilities and infrastructure works - including sites at Hayslad, Wyche Cutting, Guarlford Road, Hastings Pool area, Townsend Way, .
9. Dealing with IT matters including security update, support service contractor and potential phone system update.
10. TEAMS meeting with DEFRA
11. Consideration of and respond to current planning applications

Secretary to the Board (SttB)

1. Preparing Board & committee agendas and papers, attending meetings and preparing minutes.
2. Preparing for 4Cs meeting.
3. Reviewing planning applications.
4. Easements and wayleaves Gigaclear, + private easements.
5. Local Government Boundary changes –attend briefing with MP, travel to London for meeting, liaising with solicitor.
6. .Deal with complaint re: planning application
7. Attendance at site visits
8. Dealing with correction of Land Registry plan
9. Seeking legal advice on easement issue
10. Introductory briefing Helen Barber
11. Dealing with Board member queries.
12. Attend Fisher German webinar
13. TEAMS meeting with DEFRA
14. Responding to public queries.

Conservation Manager (CM)

1. Overseen stem-injection contractor work at All Saints Wood.
2. Mapped existing deterrents and ground condition of Castlemorton Common verges.
3. 1 day of stem injection around Central Hills.
4. Tree planting with CCA at Snookes Croft.
5. Secured £8000 grant for new access infrastructure to be placed across the estate.
6. 1 day weeding new trees around Poolbrook.
7. Completed CS capital claim for Southern Hills agreement.
8. Liaised with Gigaclear and Severn Trent over current utility works.
9. Worked with field staff on scrub works at Castlemorton Common.
10. Oversaw contractor work clearing Swinyard quarry face and habitat works.
11. Woodland tree planting at Old Hollow Land.
12. Induction session with new Finance & Administration Manager.
13. Led trustee walk.
14. Assisted with the reintroduction of Petty Whin to Castlemorton Common.

15. Attended a conservation grazing webinar hosted by Eurosite.
16. Obtaining quotes for tree safety works and new fencing.

Conservation Officer

1. Constructed cattle proof tree guards on Castlemorton Common for Black Poplar.
2. Planted MHT grown male and the first female Black poplars on Castlemorton Common.
3. Planted a black poplar at Rectory Lane triangle.
4. Continued to monitor grazing.
5. Continue to stem inject Cherry Laurel, Portuguese Laurel and Rhododendron on The Northern and central Hills.
6. Assisted with planting two standard trees at the new fields at Castlemorton Common.
7. Planted the first batch MHT grown *Genista anglica* (Petty Whin) on Castlemorton Common.
8. Assisted with the supervision of Glebe contractors working on reptile habitat and clearing geological features on Swinyard Hill.
9. Ran volunteer sessions at the Community Woodland and Old Hills.
10. Assisted with staff thinning work in the wood pasture at Old Hills.
11. Attended a conservation grazing webinar hosted by Eurosite.
12. Maintenance on standard trees planted last winter.
13. Continue to monitor coppicing work at Park Wood.

Community and Conservation Officer (CCO)

1. Overseeing the installation of a new bench at Polly's Orchard to mark the Queen's Jubilee.
2. Overseeing the planting of two memorial trees in Polly's Orchard
3. Assisting with the IT set up for Helen Barber
4. Organising a volunteer task with local mountain bikers
5. Updating GIS systems with newly acquired land and distributing data to relevant partners / utility companies
6. Publishing press releases relating to Black Poplar conservation and livestock worrying
7. Facilitating the planting of four memorial trees at Colwall Green
8. Advertising the Field Staff member vacancy and refreshment tender
9. Interviewed by Free Radio Herefordshire and Worcestershire about livestock worrying
10. Speaking at a number of venues including Malvern Library (ash dieback disease) and The Elms School, and groups including Malvern U3A Natural History Group, Malvern U3A Solos Group and Hanley Castle School.
11. Dealing with event applications.

Operations Manager and Field Staff

January 2023

1. Vegetation management – Cutting bramble, gorse and tree natural regeneration for the restoration of open habitat at Castlemorton Common at the junction of Hancocks Lane and Welland Road
2. Vegetation management – Cut back fallen trees and overhanging vegetation around the boundaries of Norbridge field.
3. Vegetation management – Remove fallen branch wood from a large wind-damaged tree at St Ann's Well and clear a fallen birch that fell across a highway into private property on Holywell Road.
4. Vegetation management – flail bramble patches at Berrow Down, Castlemorton.
5. Vegetation management – turn composting material at Upper Wyche yard.
6. Track drainage maintenance along Hollybed Street, Castlemorton.
7. Replace posts and metal rails around the silt trap next to the road at the bottom of Happy Valley.
8. Replace broken gate post at the north entrance to Joyners Meadow and undertake fence maintenance repairs to fencing around the meadow.
9. Undertake drainage checks around culverts and drainage systems during heavy rain.
10. Install MHC marker stones on the newly acquired land at Norbridge and Swinepits Coppice.
11. Build up eroded track edge at various points along North Quarry track.
12. Install temporary traffic control below the entrance to Earnslaw car park to allow the safe removal of stone from a roadside retaining wall that has partially collapsed.

13. Grade the paths running from North Quarry track to Clare's Walk above Lodge Fields, the path running from the Gold Mine to the West of England car park, the path above the Cottage in the Wood and the path at Black Hill.
14. Remove decrepit post and wire safety fencing and install 80m of new safety fencing on the west side of Gullet Quarry.
15. Checks and maintenance of erosion control fencing at Summer Hill.
16. Litter collecting and bins emptying.

February 2023

1. Vegetation management – flail gorse at Eight Oaks bank, Castlemorton.
2. Vegetation management – flail bramble to enhance adder habitat at Berrow Downs.
3. Vegetation management – flail gorse to restore open habitat opp. Hunter's Hall, Castlemorton.
4. Vegetation management – compost management at Upper Wyche Quarry yard.
5. Vegetation management – tree planting works at Malvern Common, planting at Castlemorton and around Colwall football field.
6. Vegetation management – flail areas of roadside bracken and bramble at west of England car park.
7. Vegetation management – clear fallen branch wood from open common near Huntsbridge, Castlemorton, from a track on Old Wyche Road and near the path between the Gold Mine and West of England car park.
8. Vegetation management – Fell leaning tree and clear arisings near the entrance to North Quarry car park.
9. Vegetation management – thin tree cover in front of bench locations above West of England car park.
10. Installation of 80m of new safety fencing on the west side of Gullet Quarry.
11. Build up eroded track edge at various points along North Quarry track.
12. Install new bench at Polly's Orchard, Mavern Common.
13. Meet contractors to obtain quotes for forthcoming planned works at Colwall Lands.
14. Remove and repair interpretation signage at North Quarry car park.
15. Remove redundant fencing on the southern boundary of Norbridge field.
16. Clear and organize dumped material in North Quarry.
17. Install new locking barrier post on the back road into Gullet Quarry.
18. Erect 100m of new fencing in Swinepits Coppice in accordance with purchase agreement.
19. Drain and culvert maintenance at various sites.
20. Installation of new drainage at Huntsbridge/Chandlers Cross to resolve long-running easement flooding issue.
21. Checks and maintenance of erosion control fencing at Summer Hill.
22. Litter collection and emptying litter bins.

Contractors

February 2023

Richard Horne – Undertake completion of drainage works to reduce flooding from the common onto an easement at New Road/Chandlers Cross.

Clear organize material dumped at North Quarry.