



Malvern Hills Trust

Ordinary Meeting of the Board

Thursday 18 January 2024 at 7.00 pm

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

Ordinary Meeting of the Board
Council Chamber, Avenue Road, WR14 3AF
Thursday 18 January 2024 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 16 November 2023 and 30 November 2023. Pages 4-12
Confidential pages 2-6
 6. Matters arising from the previous Board meetings not otherwise on the agenda
 7. To appoint Mary Turner to Finance and Administration Committee
 8. Land Management Committee
Verbal report from Chair of Committee on meeting held 07/12/23
 9. Finance Resources and Administration Committee
 - 9.1 To confirm the accuracy of the minutes of the meeting held 14.12.2023 Pages 13-21
Confidential page 7
 - 9.2 Chair of Committee – updates and questions
 - 9.3 Board to adopt the minutes and resolutions
Investment Risk Categories (minute 8): to approve the policies as currently drawn.
 10. To approve the budget and set the levy for 2023/24 Paper A Pages 22-29
 11. Car park income to 31 December 2023 - verbal report
 12. Governance Committee
Verbal report from Chair of Committee on meeting held 04/01/2024
 13. Staffing Committee – verbal update from Chair
Verbal report from Chair of Committee on meeting held 04/01/2024
 14. Staff at confidential meetings policy review Paper B Pages 30-31
 15. Private Bill Paper C1 Page 32-35
C2 Confidential pages 8-10
- To receive: a verbal summary of costs to date.
- To resolve:
- a) To proceed with the preparation of a Private Bill with a view to lodging it in November 2024
 - b) That the new Act will be a consolidating Act
- And also, to:
- c) Identify which provisions are ready to be passed to the Parliamentary Agent for him to commence work
- And resolve that:
- d) Once confirmation is received from the Charity Commission that the Trust can make a loan from the Land Purchase Fund to fund the preparation and promotion of the Bill:
 - i. These provisions be passed over to the Parliamentary Agent for him to commence work and

- ii. The Parliamentary Agent should be asked to consider and advise as appropriate on the action points arising out of the consultation

16. Dealing with absence of CEO Paper D Page 36

17. Proposal for a new format for Board Agenda Paper E Pages 37-39

18. Urgent business

19. Date of next meeting

To be agreed: 7th or 14th March 2024 (or sooner if required)

20. Confidential

Resolution to exclude the public for discussion of item 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).

CONFIDENTIAL

21. Matters arising from confidential minutes of Board meetings

22. To make provision for staffing arrangements to support the work on the Private Bill
Paper F Confidential Pages 11-13

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 info@malvern hills.org.uk (or write to the Trust's office), in advance of the meeting, giving their name, E-mail address and contact number.

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

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

In attendance: CEO, Incoming Interim CEO, Conservation Manager, Secretary to the Board, Incoming Secretary to the Board, six members of the public.

Mrs Palmer welcomed everyone to the meeting and took the chair, as Vice-Chair.

1. Election of Chair

There was one nomination and Mrs Palmer was appointed unopposed, proposed by Prof Raine and seconded by Mr Bartholomew. Mrs Palmer thanked the meeting for her appointment. She noted that she had served for two years as Vice-Chair, and had learned much during this time from the previous Chair and from the CEO. She understood the challenges that the Trust was facing at a time of significant changes of personnel, and acknowledged how the leadership and dedication of the CEO would be missed. She highlighted the requirement for the Malvern Hills Acts to be updated to reflect the changing world of the 21st Century and the need to engage with the public to achieve this.

2. Election of Vice-Chair

There was one nomination and Mr Core was appointed unopposed, proposed by Prof Raine and seconded by Mr Bartholomew.

3. Apologies for absence

Mrs M Alexander, Mr P Clayburn, Mr J Owenson and Mr C Penn.

4. Chair's report for 2022/23

The outgoing Chair's Report was received. There were no questions on the report.

5. Chair's announcements

Mrs Palmer advised that there was an item of urgent business to be discussed in the confidential section of the meeting.

6. Declarations of interest

Mr Rouse believed that he might need to declare an interest in the confidential item.

Since this was the first meeting of the new Board, Mrs Palmer invited all those present to introduce themselves and identify their nominating body or electoral ward as appropriate.

7. Public Comments

Mr Chris Churchill of Chase Ward asked four questions regarding the Private Member's Bill.

1. Were electoral changes to be proposed in the Bill?
2. Had a public consultation taken place and if so, what feedback had been received?
3. Why did the Charities Commission reject the application?
4. Was the sum of more than £150k spent on the application to the Charities Commission and had this money been wasted?

Mr Core responded to the questions on behalf of the Board.

1. Electoral changes were indeed proposed and had been consulted upon. The number of Board members would be reduced from 29 to 12, and the proportion of those to be elected increased from 33% to 50%. A more significant change was that there would be a single electoral area. In the recent elections, one ward had had no nominations at all and nominees of seven wards had been elected unopposed (this equated to eight trustees, due to Colwall having two representatives). The Trust hoped that by moving to a single electoral area with a list of candidates, all levy payers would have the opportunity to vote, rather than just a third as at present.
2. A consultation had been conducted in late 2019 and published in early 2020. Over 400 responses had been received to the public element, and the results had been positive. Of the 50 specific questions, only two had not received majority support from the respondents. The consultation feedback was available on the Trust's web site.
3. The Charities Commission and the Department for Culture, Media & Sport (as it had been at the time) had advised the Trust that a Section 73 parliamentary scheme was no longer appropriate to enact the changes, due to the substantial public interest, especially amongst the levy payers. A Private Bill was the more appropriate mechanism.
4. The £150k expenditure had been with a legal firm to develop the proposals; it was revenue expenditure and not balance sheet value. The Charities Commission statement had indicated that the work already done would be helpful in completing the required work on the Bill. 21 points raised during the consultation would be consulted upon further.

Mr Fowler highlighted the fact that, under the proposals, individual wards would no longer have their own "representative" on the Board.

The CEO advised the meeting that the consultation was available on the web site. The statement from the Charities Commission, explaining why the Private Member’s Bill was the appropriate way forward, was also available here.

8. Appointment of committees

A paper detailing individual trustees’ application for committee membership was received. Mrs Victory asked to be considered for Staffing Committee, rather than Land Management, and Mr Fowler asked to move from Land Management to Finance, Administration & Resources.

On the proposal of Mr Fellows, seconded by Mr Rouse, it was **RESOLVED** to make the following appointments to Land Management Committee, and Finance, Administration & Resources Committee:

Land Management Committee	Finance Administration and Resources Committee
Mrs Alexander	Mr Berry
Mr Baldwin	Mr Core
Mr Bartholomew	Mr Cottam
Mr Clayburn	Mr Fellows
Mr Driscoll	Mr Fowler
Mr Michael	Mrs Hodgson
Mrs Palmer	Mr Penn
Mrs Robinson	Prof Raine
Mr Rouse	
Mr Wilkinson	
Mr Victory	
Prof Westbury	

The Secretary to the Board reported that there had been a delay with the appointment of the Herefordshire County Council nominees, and recommended that the appointment of Staffing Committee members be postponed until these nominations had been confirmed and the nominees’ skills audits received. It was **RESOLVED** unanimously to defer the appointment of Staffing Committee members until the next Board meeting on 30 November 2023.

There had been 13 self-nominations for seven places on Governance Committee and these had been submitted to the current Vice-Chair of the committee, Prof Raine. He reported that he had considered the applications against two principles: firstly, prior experience on the Board, and; secondly, whether the self-nominees had signed the Trustees’ Code of Conduct.

There was a discussion of this approach. It was suggested that new trustees would come with fresh ideas and should not therefore be automatically excluded. It was also suggested that the Board might lose useful talent in automatically barring people. In answer to a question, the Secretary to the Board confirmed that it was not a legal requirement for trustees to sign the Code, although it was best practice.

It was noted that in the event of problems in the future, the Charities Commission would take into account whether trustees were abiding by the Code, and that they did urge all trustees to sign it. The CEO pointed out that all trustees were allowed and indeed encouraged to attend meetings of committees of which they were not a member.

It was **RESOLVED** to defer the appointment of the Governance Committee until the next meeting on 30 November.

On the proposal of Mrs Palmer and seconded by Mrs Hodgson, it was **RESOLVED** unanimously that Disciplinary Committee membership would be as follows:

Disciplinary Committee

Mr Baldwin
Mr Bartholomew
Mr Clayburn
Mr Core
Mrs Hodgson
Mr Michael
Mrs Palmer
Mr Penn
Prof Raine

Appointment of Board members to outside bodies

On the proposal of Mr Fellows, seconded by Mr Bartholomew it was **RESOLVED** unanimously to make the following appointments:

4Cs	Mr Rouse and Mr Wilkinson
AONB	Mrs Victory
Recreation Advisory Panel	Messrs Baldwin, Fellows and Penn, and Prof Raine
Wildlife Panel	Messrs Driscoll, Owenson and Wilkinson, and Mrs Robinson.
Malvern Spa Association	Mrs Palmer

9. Appointment of trustees pursuant to the Bullying & Harassment Policy

It was noted that this was a staff-facing policy, which provided for four people (two senior members of staff and two trustees) whom staff could approach if necessary. It was **RESOLVED** that Mrs Hodgson and Mr Core should be appointed.

10. Minutes of the Special Meeting of the Board held on 19 October 2023

On the proposal of Mr Core, seconded by Mr Baldwin, it was **RESOLVED** (with 7 abstentions) to approve the minutes of the meeting held on 19 October 2023.

Matters arising

Mr Fowler reported that he had abstained from the minutes approval due to concern about the minutes of the Levy Payers Meeting of 1 December 2022 and the Trust's

Annual Report & Accounts having been presented to and approved by the Board on 19 October, and not to a separate meeting of the Levy Payers. The Secretary to the Board advised that the Commissioner Clauses Act 1847 stated that that the presentation of the Annual Report & Accounts should take place at a full Board meeting, and pointed out the 19 October meeting had been promoted in the same way at the Levy Payers' meeting had previously been, giving those who wished the opportunity to attend. Mr Fowler recommended that the Trustees should discuss the issue. Mrs Palmer supported the recommendation and said that the issue would be included on a future agenda.

11. Meetings and Induction Timetable

Mrs Palmer referred to the timetable of meetings up to the end of January, which had been circulated. The schedule for the Private Bill had also been circulated; trustees were advised that there was much work to do in the first part of 2024. The Board would be asked to give its approval to proceeding with a Private Bill at its meeting on 18 January 2024.

In answer to a question about how vital it was to submit the Bill in 2024, the Secretary to the Board advised that, due to ward boundary changes, it was critical to get the Bill successfully through Parliament before the next Trust elections in November 2027. The process was likely to take at least two years. The CEO added that although there had been no issues with this year's elections, the Trust did not want to risk any uncertainty about future elections.

12. Information

12.1 Update on Risk Management Schedule

The CEO explained for the benefit of new trustees that this was a large document identifying potential risks to the organisation and steps taken to mitigate them. The Schedule was agreed by the trustees each year and any major change reported upon by the CEO at each Board meeting. The current version would be circulated to all trustees. Of the 50 items on the schedule, there were just two to highlight:

- Under Charity Governance (risk 1.8), the risk of the Board making decisions that were not fully informed, due to the arrival of new trustees with limited knowledge, had been increased from very minor to minor. The risk was mitigated by the Governors' Handbook and the induction programme.
- The on-going conflict in the Middle East had necessitated an increase in risk of three points (risk 5.1). The CEO advised that there were longer term impacts: if the conflict were to spread, it was likely to result in increased costs in fuel and imported goods, for example. This might in turn result in reduced car parking income, if people drove less to save fuel. The CEO added that the war in Ukraine had previously had a similar impact on the budget.

Questions were invited on the Risk Management Schedule, but there were none.

12.2 Conservation Manager's Report

The Conservation Manager reported that a few special projects had been completed.

- Nine hand gates improving access had been installed and the grant claimed.
- Fencing and access infrastructure had been successfully installed at the new fields by Evendine Lane and the FIPL grant claimed.
- All Saints Wood, where the Trust was improving the woodland and developing a forest school for the benefit of the Malvern Wyche Primary School, was still a work in progress.

Field staff had finally finished the mowing works. Grass would be collected and composted. They would now move onto drainage and tree safety works. Practical works were divided between maintenance and projects to enhance what was already there (often grant-funded). This year's tree safety report, provided by an independent arboriculturalist, had been received and work requiring specialist tree contractors had gone out to tender, with responses due in 2 ½ weeks. 140 trees in required work, 100 of which were ash trees. There was a designated fund of £65k for work on ash trees. It was hoped that the work would start before Christmas. Field staff aimed to have the works completed before 1 March, because this was the start of the bird breeding season.

This year's winter works programme, detailing where field staff would undertake scrub clearance and habitat restoration, had been completed and would form a paper to the December meeting of the Land Management Committee, along with a paper on the land management budget for 2024/25.

Questions were invited on the Conservation Manager's Report. Mr Rouse noted that the paths budget was currently underspent by £3k and asked whether further work was planned. This was confirmed.

12.3 Malvern Spa Association

Mrs Palmer reported that Christmas cards and calendars were now available in the Tourist Information Centre. The Association would be choosing the theme for next year's well dressing at its January meeting.

12.4 AONB Joint Advisory Committee

Prof Raine reported that two position statements had been worked through. Due to confusion about the meaning of AONB, sites would in future be known as National Landscapes. Malvern's AONB name would change to 'Malvern Hills National Landscape'.

12.5 Wildlife Panel

No meeting.

12.6 Recreation Advisory Panel

No meeting.

12.7 Management Report

The Management Report for July to November 2023 was received.

- The CEO highlighted what a busy period it had been, particularly with recruitment and budget work. The recent wet weather had caused lots of additional work for conservation and field staff.
- In the recent elections, one ward had fielded no candidates and so the election had been re-notified for 7 December, with two candidates standing.
- Trustees were invited to attend the unveiling of the interpretation board at the Donkey Shed on Sunday 26 November.

Questions were invited on the Management Report.

- Mr Rouse asked about point 9 on the CEO's work list, relating to ongoing boundary and neighbouring landowner matters. This discussion was referred to the Land Management Committee meeting.
- Mr Berry referenced the statement 'taken their toll on the Trust and its people' in the Chair's Report for 2022-23. He asked whether the CEO shared these concerns and whether other members of staff might leave. The CEO replied that the Trust had taken action to ensure continuity. The outgoing and incoming Secretaries to the Board were overlapping and an interim CEO appointed to provide stability while a new CEO was recruited. The CEO acknowledged that there had been a reduction in capacity amongst staff and a need to manage workloads. The Trust had been obliged to suspend projects to relieve pressure and capacity. He assured trustees that staff would do their best to respond promptly to their enquiries, but requested their understanding.

13. Date of next meeting

30 November 2023.

14. Confidential items

On the proposal of Mr Bartholomew, seconded by Mrs Hodgson 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 9.21pm

Malvern Hills Trust

Special Meeting of the Board

St Andrew's Church Hall, Churchdown Road, Malvern WR14 3JX

Thursday 30 November 2023 6pm

Present: Mrs C Palmer(Chair), Mr D Baldwin, Mr R Bartholomew, Mr R Berry, Mr P Clayburn, Mr D Core, Mr M Driscoll, Mr D Fellows, Mr R Fowler, Mr J Michael, Mr J Owenson, Mr C Penn, Prof J Raine, Mrs F Victory, Mr M Victory and Mrs S Wren.

In attendance: CEO, Secretary to the Board, Incoming Secretary to the Board, three members of staff, two members of the public.

Absent: Mrs M Alexander

1. Welcome

Mrs Palmer welcomed Mrs Wren, newly appointed Trustee for Herefordshire County Council, and Mr Owenson, who was attending his first meeting.

2. Apologies for absence

Mr A Cottam, Mrs L Hodgson, Mrs F Robinson, Mr C Rouse, Mr J Stock, Prof D Westbury and Mr M Wilkinson.

3. Chair's announcements

Mrs Palmer advised a change to the order of agenda items.

4. Declarations of interest

There were none.

5. Public Comments

There were none.

6. Additional appointments to Land Management Committee

On the proposal of Mr Penn, seconded by Mr Clayburn, it was **RESOLVED** to make the following additional appointments to Land Management Committee: Mr Stock, Mrs Victory and Mrs Wren.

7. Appointment of Governance Committee

On the proposal of Mrs Palmer, seconded by Mr Bartholomew, it was resolved (with one against and two abstentions) to appoint the following trustees to the Governance Committee:

Governance Committee

Mr Bartholomew
Mr Clayburn
Mr Core
Mr Fellows
Mr Michael
Mr Penn
Prof Raine

8. Appointment of Staffing Committee

Trustees had today received a letter from MHT staff expressing concern that four trustees had declined to sign the Code of Conduct and stating that they would not have confidence in a Staffing Committee membership that included any of these trustees. Staff were also concerned about the number of staff resignations during the last year. Trustees expressed their concern about the content of the letter and it was agreed to discuss appropriate action during the confidential section of the meeting.

On the proposal of Mr Clayburn, seconded by Mr Driscoll, it was **RESOLVED** (with two against and one abstention) to appoint the following trustees to the Staffing Committee:

Staffing Committee

Mr Baldwin
Mr Bartholomew
Mrs Palmer
Mr Penn
Prof Raine
Mrs Victory
Mrs Wren

9. Date of next meeting

18 January 2024.

10. Confidential items

On the proposal of Mr Core, seconded by Mr Clayburn 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 7.30pm

Malvern Hills Trust

Finance Administration and Resources Committee

Thursday 14 December 2023 7.00pm

Present: Mrs L Hodgson (Chair), Mr R Berry, Mr D Core, Mr D Fellows, Mr R Fowler, Mrs C Palmer (non-voting), Mr C Penn and Prof J Raine.

In attendance: CEO, Interim CEO, Secretary to the Board, Incoming Secretary to the Board, Financial Assistant, Mrs M Turner, 2 members of the public, Mr E Caswell, and Mr W Papirnik (RBC Brewin Dolphin – items 7 and 8)

Absent: Mr J Owenson

Mrs Hodgson welcomed everyone to the meeting.

1. Election of Chair

Mrs Hodgson was elected unopposed, proposed by Mr Core, and seconded by Mr Fellows.

2. Election of Vice-Chair

Mr Berry was elected unopposed, proposed by Mr Fellows, and seconded by Mr Fowler.

3. Apologies for absence

Mr A Cottam.

4. Chair's communications

- There were two items of urgent business:
 - A confidential item relating to pensions.
 - Past audit costs to be discussed under agenda item 14.

5. Declarations of interest

There were none.

6. Public comments

None had been received by the deadline, but due to late publication of some of the papers for this meeting, the Chair agreed to take comments from the floor. These are recorded in Schedule 1.

7. Investment Report

The RBC Brewin Dolphin representatives were welcomed to the meeting. They went through the slides, which had been circulated to the Committee under confidential cover. Mrs Hodgson advised that if any discussions regarding individual investments were required, members of the public would be asked to leave.

There were questions from trustees as to whether the forecasts might be affected by a change of US President, the situation in the Middle East, the war in Ukraine, or a 2024 General Election. Trustees were reassured that there were sufficient checks and balances for none of these to have much impact in the long term. The market had continued to move higher despite the war in Ukraine. It was pricing in a business-friendly Labour Government. However, globally, the UK economy was largely irrelevant.

Trustees were advised that the value of the total portfolio as at the date of this meeting was £1,224,000.

Mrs Hodgson thanked RBC Brewin Dolphin for a thorough presentation.

8. Investment Risk Categories

The Committee received a paper prepared by the Secretary to the Board, summarising the investment risk categories currently used by the Trust, together with copies of the Investment Policies for the Parliamentary & Land Maintenance Fund, and for the Land Purchase (1992) Fund (both approved in March 2023), and RBC Brewin Dolphin's Risk Guide.

On the proposal of Mr Core, seconded by Mrs Hodgson, it was **RESOLVED** unanimously to recommend that the Board approve the policies as currently drawn up.

Mr Caswell and Mr Papirnik left the meeting at 7.55 pm.

9. Management Accounts for the 6 months ended 30 September 2023 and the 7 months ended 31 October 2023

The Management Accounts were received, together with a summary paper prepared by the CEO. He explained that this paper related to the September accounts but given that the October accounts had been circulated too, he would refer to those. He highlighted the following points:

9.1 General Fund

- Within the Land Management budget, contract labour was currently shown as underspent, but this was down to timing. Much of the planned maintenance expenditure, for example drainage and tree works, took place during the autumn and winter months. The position was similar with the purchase of materials and tools, and with maintenance of tracks and paths. Trustees were advised to expect more significant spends to be reported in January.
- The Visitor Services budget was underspent, due to car park meters not having been installed as planned and lower expenditure than expected on car park maintenance.

- The Trust would need to spend more on Communications and Public Engagement during the next quarter.
- Under Administration and Governance, depreciation was lower than budgeted due to the timing of purchases. The Trust had done well with its insurance premiums this year, but they would increase. It was noted however that the Trust's insurance portfolio did well.
- The current underspend on staff costs would disappear before the next report. The NJC pay award had been agreed and implemented in November, backdated to April. The increase had been higher than budgeted and an overspend of £30k was now expected.

Questions were invited on the General Fund. Mr Fowler asked how the Trust planned to spend the communications support and engagement budget. The CEO said that this would not be specifically on the Private Bill. There were costs to come for publications for the public and for web site development.

9.2 Designated Funds

- The costs for Election expenses had not yet been received. The CEO explained that £5k was transferred into this account every year so that a total of £20k was available for elections every four years. However, there had been two by-elections in the last four years, plus the Priory Ward election, plus additional polling station costs. The final cost was expected to be between £20-25k. In answer to a question, the CEO confirmed that the current balance on the account was £21,587, as shown in the October Management Accounts. There was normally a small balance remaining once the election expenses were paid. The annual provision for the election costs may need to be increased to cover rising costs.
- The CEO explained that in May 2023, a separate fund had been established for the recruitment of a new Finance & Administration Manager (FAM). This had now been merged with the budget to recruit the new CEO. In answer to a query as to whether the full fund would be required, the CEO confirmed that much of it would be, once the costs of agency fees, advertising, accommodation, and cover/induction costs were taken into account. It was pointed out however that the current situation was highly unusual.
- Under stewardship, the grazing contractor costs had come in as expected overall. The fund balances were intended to cover 2 years expenditure to cover any gaps between expiry of existing agreements and establishment of new agreements.
- In answer to a question on the plans for the Ash Dieback fund, the CEO confirmed that this had just gone out to tender, with completion due by 1 March. It was expected that expenditure would be on or slightly over budget. It was noted that there was a separate pot for other tree diseases, and that there was some oak disease at Old Hills that might have to be addressed.

9.3 Restricted Funds

- The CEO explained that in the case of some grants the Trust had to spend the money first and claim it back afterwards. This was why the Donkey Shed fund was currently showing negative since it was waiting for a grant from Civic Society and the Gift Fund. Access for All and Farming Landscape were also waiting for grants to come in.

10. General Fund, Restricted & Designated Fund budgets, and the Precept for year ending 31 March 2025

Trustees received the draft budgets for the General, Restricted & Designated Fund budgets, together with a summary paper prepared by the CEO with recommendations for consideration, and an appendix of detailed notes. The CEO explained that the appendix listed the assumptions that had been made. An inflationary figure of 5 % had been applied, since this was the best assumption available at the time of preparation.

10.1 General Fund

Car park income

Trustees received, for information, a breakdown of car park meter takings in 2023-24. The CEO advised that income from resident pass sales had reduced slightly; this was thought to be down to the Trust tightening up on evidence of entitlement required, and indeed the sale of annual passes had risen slightly. The CEO said that there was an error in the budget paper and confirmed that the proposed car parking budgets for 2024-25 should be £34,500 for residents' permits (reduced from £37k in 2023-24) and £42,500 for annual passes (increased from £40k). There was no net difference.

Vehicle expenditure

The CEO reported that vehicle expenses had been increased by more than 5 %, because the Trust knew its costs would be higher. Parts costs for machinery, which were mainly imported from abroad, were expected to increase significantly.

Staff salaries

The CEO reported that increases to salaries had been allowed for. However, an additional £7-8k for the new CEO's salary needed to be added in, following the recent appointment. Additional staff capacity had also not been factored in, and it was likely that the review to be conducted by Staffing Committee in the New Year would recommend that staffing levels were increased. In answer to a question, the CEO confirmed that the percentages payable for pension contributions between staff categories varied due to staff being on different schemes.

Costs of work on a new Malvern Hills Act

The CEO reported that the Charity Commission had approved expenditure on promoting and preparing the Bill of £306k. It was assumed within the draft budget that the loan from the Land Purchase fund would be agreed and that 75 % of the total (£229,500) would be spent in 2024-25. Interest would be paid at the rate of 6 % and the sum of £13,770 therefore charged to the General Fund in 2024-25.

In answer to a question on whether there was written guidance on how the £306k might be spent, it was confirmed that this sum was for legal costs of preparing and promoting the Bill. The Trust did not require consent to expend funds on staff costs, consultancy, or public information. It was suggested that details of all costs associated with the Bill (and the sources of funding) should be recorded in a single document for reference.

Mrs Palmer proposed that the work on the Bill be postponed for a year to allow the new members of staff to settle into their roles. The CEO advised that there would be problems conducting elections in 2027 as a result of the local government boundary changes and costs would also increase if the work were postponed, leading to the Trust needing to ask levy payers to pay more. Mr Core reminded the meeting that there had been broad support for the changes in the 2019 public consultation, suggesting that many respondents must be wondering why there had been no action. Mrs Turner said she had spoken on the doorstep with many levy payers who wanted information about what was happening with the Bill.

2024/25 Budget Recommendations to Board

On the proposal of Mr Core, seconded by Mr Penn, it was RESOLVED, with 4 in favour, 2 against and 1 abstention, to approve the General Fund budget and recommend it to the Board.

On the proposal of Mr Core, seconded by Mr Penn, it was RESOLVED unanimously to approve the Designated Funds budget and recommend it to the Board.

On the proposal of Mr Fowler, seconded by Mr Core, it was RESOLVED, with 6 in favour and 1 abstention, to approve the Restricted Funds budget and recommend it to the Board.

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

On the proposal of Mr Core, seconded by Mr Penn, it was RESOLVED, with 5 in favour, 1 against and 1 abstention, to recommend to the Board that residents' car park passes be increased to a cost of £7.50 per annum from 1 June 2024.

On the proposal of Prof Raine, seconded by Mr Penn, it was RESOLVED unanimously to recommend to the Board that annual car park pass prices be increased to £52.50 per annum, plus £26.75 per annum for a second car at the same address, from 1 April 2024.

10.2 Proposal of the Levy

It was noted that the Trust was proposing to increase the total levy by 5% to £697,070, equating to an average Band D increase of £2.28 (based on 2023-24 figures).

Mr Berry implied that the Trust had generated a surplus since 2016 and suggested that the 9% increase in the levy imposed in 2023 had not been justified. He pointed out that it was stated in the Business Management Plan that the levy would increase by inflation only. The CEO said that he had already informed Trustees that the Plan required updating, since at the time of writing it was assumed that the new Act would be in place by this time. Provision had been made within the budget to designate funds for certain key projects, some to be carried out under next year's budget, whilst others had been postponed due to staff turnover, but were still required. This did not equate to generation of a surplus. The CEO insisted that the costs were realistic, based on a thorough assessment of work requirements and costings. As a charity, the Trust was not expected to make either a profit or a loss. Claiming a reduced levy had cumulative impacts over the years and could never be recouped. The CEO reminded trustees of their obligation to ensure they had adequate funds to deliver the charity's objects and warned that if they failed reasonably to reflect the increase in costs, the Trust's finances would fall further behind where they needed to be. The Trust would have had £90-100k extra available in the budget had the levy been increased by the rate of inflation every year over the last 30 years. If the proposed levy were reduced now, it would result in the Trust going into deficit.

It was noted that Malvern Hills District Council (MHDC) was proposing to increase their share of Council Tax by 3.9%. It was suggested that the Trust could carry out research into the increase in housing stock, to ascertain whether the levy would be shared by more households. However, it was noted that it was very unlikely that this information could be sourced in time for the Board meeting on 18 January, and that the levy papers had to be completed and sent off to MHDC and Herefordshire Council immediately following this meeting.

2024/25 Levy Recommendation to Board

It was proposed by Mr Berry and seconded by Mr Fowler that the Committee recommend to the Board that the Levy for 2024/25 should be set at £691,000. There were 3 votes in favour of the proposal and 4 against.

On the proposal of Mr Penn, seconded by Mr Core, it was RESOLVED, with 4 votes in favour and 3 against, to recommend to the Board that the Levy for 2024/25 should be set at £697,070.

11. Appointment of the Finance & Administration Manager

Nicky Gutteridge had been appointed as the new FAM and would take up her appointment on 12 February.

12. Terms of Loan from the Land Purchase Fund to cover the costs of the Private Bill

Trustees received a paper prepared by the Secretary to the Board, detailing the terms of the proposed loan from the Land Purchase Fund (LPF) to fund work on the Private Bill, together with a copy of the draft loan agreement. She confirmed that it was planned to repay the loan over 25 years, in equal instalments of capital and interest to make budgeting more straightforward, and at a rate of 6%. In answer to a question, it was confirmed that the figure of 6% had been arrived at from best available information on the long-term growth in land prices.

The sum of £350,000 had originally been earmarked by the Board for the loan in November 2021 and invested in lower risk investments. In August 2023, the Charity Commission had authorised expenditure on legal costs and disbursements of £306,000. The Board now needed to decide on whether to keep the remaining £44,000 in lower risk investments, or to move it back to level 6. The Secretary to the Board had spoken to RBC Brewin Dolphin who had advised that, given the likely timescale, it would be prudent to leave the sum in lower risk investments if it might be needed in due course.

On the proposal of Mr Core, seconded by Mr Penn, it was RESOLVED with 7 in favour and one abstention, to recommend to the Board that the full amount of £350,000 should remain invested in the Risk Level 4 portfolio and through the Flagstone Platform until further decision of the Board.

13. Reports for Information

13.1. Car park takings

Previously discussed under item 10.1.

13.2. GDPR – Review of data breach log

There had been no data breaches.

13.3. Red flag items off risk schedule

The version in the restricted area of the web site had been updated. Of the six red flag items, one – elections – had been reduced, since the elections period had passed without any issues. Following the advice from Brewin Dolphin in this meeting, it was not proposed to increase the risk of international issues impacting the Trust.

13.4. Exercise delegated expenditure powers.

A paper was received detailing expenditure in 2023/24 that had been authorised in addition to the budget.

14. Urgent business

It was reported that the invoice from X for the preparation of the 2022/23 accounts had not yet been received but was expected to be higher than the budgeted figure of £11,250. Due to the loss of the FAM, the new auditors had incurred more time costs than expected. Previously there had been a contingency for this, but it had been absorbed into the £30k fund for replacing the FAM and the CEO. It was expected that the additional cost was likely to be between £2k and £2.5k. This would be a one-off cost, because the new FAM would be in post in good time for the 2023/24 audit, and the auditors would be more familiar with the Trust next time round.

15. Date and time of next meeting

16 May 2023.

16. Confidential

On the proposal of Mr Core, seconded by Mr Penn it was **RESOLVED** with 6 in favour and one abstention to exclude the public for discussion of item 12 on the agenda and the urgent business 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 10.20 pm.

Schedule 1

Comments from the Public

1. The proposed scheme for funding a private bill will result in a loss to the Trust of income which the loan capital would otherwise have earned over the period of the internal loan. Has the Trust clarified with the Charity Commission whether or not this substantial cost should be taken into account when determining whether or not the spending cap of £305,000 has been reached? In the absence of such clarity, will the Trust please ensure that this factor is reflected in the risk register?

It was subsequently confirmed that the approval of expenditure for £306k had been to 'defray expenditure in preparing and promoting a Parliamentary Bill'. Relevant risks are already in the Risk Register.

2. Of the £306,000 designated funds, how much has been spent and on what?

Ordinary meeting of the Board
Title: Budget and Levy
Date: 18/01/2024

BACKGROUND PAPERS

FAR Committee 14th December 2023 Paper D
Special Board meeting 30th November 2023 Letter from the Staff to the Trustees
Staffing Committee 4th January 2024 Confidential Paper D

BACKGROUND

The draft budget was considered at the FAR meeting of 14th December 2023. At that meeting it was noted that the following amends were required:

- A transfer of £2.5k between the residents and the visitors parking pass income lines (cost neutral to the budget)
- An increase in the salaries budget to cover the salary and on-costs of the incoming CEO

The latter change increased salary expenditure by £11,400 and brought the predicted budget deficit from £119,827 to £131,227. Revised budget at Annex 1.

REQUEST FOR SALARY CONTINGENCY BUDGET

At the Special Board meeting on 30th November 2023, the staff handed the Trustees a letter expressing concern about various issues including the high staff turnover within the last year and workload issues.

These matters were further considered at the Staffing Committee on 4th January 2024 with reference to a paper collating the views of staff. A Working Group was formed to hold informal discussions with staff regarding these issues and to make recommendations to the Committee for subsequent referral to the Board.

Without wishing to pre-empt the outcome of this process, it is clear that the recommendations are likely to include an increase in staff capacity and a possible review of staff salaries (a need already identified by Staffing Committee as the last benchmarking was 2 years ago and the employment market has moved on since then).

On the staff capacity issue, the Staffing Committee paper identified particular shortfalls in the following areas:

Team	Current FTE	% workload currently delivered
CEO	1	Not stated but known high workload
Conservation Team	2.6	60 %
Secretary to the Board	0.7	50 % (outgoing Officer, who was also covering Governance review issues)
Wardens	4	80 %
Finance & Admin	1.1	85 %

If the Board wishes to demonstrate that it has taken staff concerns seriously and to avert further stress and staff turnover, a contingency sum needs to be added to the 2024/25 budget to cover increased costs required to address the issues.

Initial discussions indicate that an ‘early win’ would be an increase in the Finance and Admin Team. The Finance Assistant is temporarily full time until the arrival and induction of the Finance and Admin Manager but is budgeted to reduce to 30hpw in the new financial year. Retention of this role as a full-time post would alleviate workloads in the team and allow for greater HR and administrative support to the CEO. This would increase the budget by a further £8k.

A further contingent increase in the salary budget of £30k is recommended to provide flexibility to respond to the staff concerns. Proposals for expenditure against this contingency would be formulated and brought to Staffing Committee and the Board once the Working Group have made their recommendations.

This would bring the predicted budget deficit to £169,227 and reduce the free reserves to £39,2267 (still above the Reserves policy of £350k).

LEVY

The recommendation for the Levy was considered at the FAR Committee on 14th December 2023 and the recommendation to the Board was to set the 24/25 Levy at £697,070. This represents an increase in 5 % from last year’s figures and is c£90k below the maximum Levy we would be permitted to request. The taxbase figures are not yet known, but on the basis of current figures this equates to an increase for an average Band D property of £2.28. The actual figure will most likely be lower than this due to a probable increase in properties within the levy-paying area.

Whilst recognising the ‘optics’ of increasing the levy further, in the light of the above recommendations for budget increases, and to alleviate pressure on our financial reserves, it would appear prudent to increase our Levy request. Each 1 % increase in the request would add £6,638 to the Levy and reduce Malvern Hills Trust anticipated deficit accordingly. The impacts of Levy increases are detailed in the table below. A Levy set at £735,070 (circa 10.75 %) would bring the budget back in line with the deficit recommended by FAR.

FAR Levy proposal for 5 % (rounded)	Further Levy increase	Total Levy	Total % increase	Av Band D levy	Band D levy increase	‘Underclaim’ against max allowed Levy	Revised budget deficit
33,270		£697,070	5	£47.62	£2.28	£90k	£169,227
	£32,930	£730,000	10	£49.87	£4.53	c£57k	£136,297
	£38,000	£735,070	10.75	£50.21	£4.87	£52k	£131,297

RECOMMENDATIONS:

1. The Finance Assistant be retained as a full-time post.
2. A contingency sum of £30k is included in the staff salary budget to provide flexibility to respond to the recommendations of the Staff Working Group.
3. The Levy for 2024/25 should be raised (to at least £730k, an increase of c10%)

Helen Stace
Interim CEO

Malvern Hills Trust				
General fund budget 2024/25				
Outlook 2023/24 at Nov 23 £			Budget 2024/25 £	Prior year budget £
600,750	4000 - Levy MHDC		630,800	600,750
63,050	4005 - Levy Hereford Council		66,270	63,050
12,820	4010 - WCC annual grant		13,500	12,820
0	4015 - Other grants		10,000	15,000
330,000	4100 - Car park meter takings		351,000	330,000
37,000	4110 - Residents' passes		34,500	37,000
40,000	4120 - Annual passes		42,500	40,000
2,500	4125 - Parking fines		1,600	2,000
5,000	4200 - Donations		6,000	2,000
11,100	4300 - Property rentals		11,100	11,100
7,525	4310 - Land rentals		8,200	7,525
50	4320 - Sundry rentals		50	50
750	4330 - Fairs and circuses		750	1,000
2,500	4340 - Ice Cream concessions		2,800	2,500
5,500	4360 - Wayleaves		4,000	5,500
7,370	4380 - AONB contribution		7,750	7,370
300	4370 - Sales of books, leaflets and maps		0	200
1,000	4400 - Administration charges levied		500	500
5,000	4410 - Compensation for work on land		1,000	1,000
4,500	4420 - Sundry income		6,000	2,000
50	4425 - Fishing permits		100	50
6,000	4510 - Bank interest receivable		9,000	2,000
9,462	4700 - Profit on disposal of fixed assets		10,750	7,000
1,152,227	Total income		1,218,170	1,150,415
	Land management purchases			
12,350	5000 - Contract labour		16,300	14,650
8,000	5001 - Tracks and paths		6,440	10,600
2,410	5005 - Drainage works		2,500	2,410
14,190	5010 - Vehicle and equipment expenses		17,150	14,190
12,500	5015 - Field staff vehicles fuel		13,750	12,500
2,200	5025 - Hire of plant and equipment		2,300	2,200
9,750	5030 - Waste management		9,000	8,650
28,600	5035 - Treework		29,750	28,600
5,115	5040 - Grass cutting		5,320	5,115
13,300	5045 - Purchase of materials		11,440	11,000
1,100	5046 - Purchase of tools under £500		1,150	1,100
3,000	5050 - Protective clothing		3,250	1,870
1,500	5055 - Field consultancies		1,830	1,760
4,200	5060 - Tree safety survey		4,300	3,630
1,100	5065 - Conservation volunteers		1,150	1,100
550	5070 - Evendine Spring		580	550
3,300	5080 - Gardening		3,800	3,300
500	5081 - LM miscellaneous		520	500
123,665	Total land management purchases		130,530	123,725
	Visitor services expenses			
8,000	5200 - Parking meters maintenance and repairs		11,155	10,604
19,000	5210 - Parking meters IT costs and transaction charges		17,700	19,000
1,300	5220 - Parking meters - tickets		1,155	1,100
3,300	5230 - Parking passes printing costs		3,465	3,300
3,000	5240 - Car park repairs		5,000	3,000
6,820	5300 - Wardens' vehicles fuel		7,200	6,820
3,850	5310 - Wardens' vehicle maintenance		4,040	3,850
1,100	5320 - Wardens' uniform and PPE		1,000	1,100
1,800	5330 - Wardens' tools and equipment		2,300	2,200
1,320	5340 - Wardens' mobile phones		720	1,320
0	5350 - Wardens other expenses		0	0
49,490	Total visitor services expenses		53,735	52,294
	Communications and public engagement expenses			
1,000	5400 - Leaflets		2,000	1,000
440	5405 - Council tax payers leaflet		450	440
825	5410 - Annual report		850	825
200	5415 - Newsletters		200	200
1,000	5420 - Campaigns		1,000	1,000
2,000	5425 - Signs		2,000	4,000
1,200	5440 - Events programme		1,500	2,200
500	5445 - Exhibitions		1,500	1,500
500	5455 - Other PR expenses		1,500	500
400	5500 - Fundraising expenses		250	220
5,000	5510 - Communications support and engagement		10,000	5,000
13,065	Total communications and public engagement expenses		21,250	16,885

Malvern Hills Trust				
General fund budget 2024/25 - cont'd				
Outlook 2023/24 at Nov 23 £		Budget 2024/25 £	Prior year budget £	
	Administration and governance expenses			
2,700	6000 - General rates	2,740	2,700	
1,400	6001 - Rates British Camp car park	1,560	1,400	
5,000	6005 - Water rates	4,150	4,400	
8,000	6010 - Buildings maintenance	10,000	10,000	
7,200	6015 - Electricity	7,200	7,200	
1,800	6016 - Pay & Display meters electricity	2,300	1,800	
2,240	6020 - Gas	2,300	2,240	
2,600	6025 - Telephones - landlines	2,604	2,600	
3,000	6030 - Mobile phones (exc wardens)	1,260	1,540	
32,000	8015 - Depreciation - land management equipment	37,000	38,000	
2,000	8020 - Depreciation - office equipment	3,500	2,300	
32,000	6045 - Insurance	36,000	36,000	
3,410	6050 - Office equipment maintenance	3,850	3,410	
1,650	6055 - Office equipment purchases under £500	0	1,650	
2,400	6060 - Photocopier	2,200	2,400	
4,535	6065 - IT support costs	5,155	4,535	
12,115	6066 - IT other costs	12,510	12,115	
1,000	6070 - Website	1,000	1,000	
25,000	6075 - Legal fees	25,000	20,000	
1,210	6080 - Valuation fees	1,000	1,210	
12,375	6085 - Audit fee	13,000	12,375	
2,420	6095 - HR consultant	2,625	2,420	
7,350	6100 - Other professional fees	9,000	7,350	
1,100	6210 - Room hire	2,000	1,100	
1,600	6215 - Training - Board	2,000	5,000	
1,000	6105 - Subscriptions	1,800	1,000	
4,750	6110 - Bank charges	5,000	4,750	
3,000	6040 - Postage	3,000	1,870	
3,927	6125 - Stationery	4,000	3,927	
275	6135 - Recycling	400	275	
5,610	6035 - Cleaning	6,000	5,610	
2,000	6140 - Travelling expenses	2,000	4,950	
1,980	6145 - Miscellaneous expenses	1,000	1,980	
1,500	6120 - Newspaper ads	1,000	750	
200,147	Total administration and governance expenses	214,354	209,857	
174,250	7000 - Basic salaries - Field Staff	178,100	174,250	
108,300	7005 - Basic salaries - Wardens	115,800	108,300	
276,800	7010 - Basic salaries - office based staff	277,400	256,800	
19,500	7021 - Employer's NI - Field Staff	20,000	19,500	
12,500	7025 - Employer's NI - Wardens	13,600	12,500	
29,800	7030 - Employer's NI - office based staff	33,000	29,800	
26,000	7040 - Pension Contributions - Field Staff	25,900	26,000	
14,300	7045 - Pension Contributions - Wardens	15,300	14,300	
42,700	7050 - Pension contributions - office based staff	40,000	42,700	
74,200	7055 - LGPS lump sum deficit contributions	77,630	74,200	
3,400	7060 - Group life assurance	4,000	4,000	
6,000	7070 - Training - staff	7,500	7,500	
2,000	7075 - Recruitment	3,000	2,000	
789,750	Total staff costs	811,230	771,850	
(23,890)	Surplus/(deficit) for the year before transfers	(12,929)	(24,196)	
0	Transfer to LP Fund - loan interest	(13,770)	0	
(42,890)	Transfer to other funds	(122,000)	(17,890)	
17,870	Transfers from other funds	17,472	15,132	
(48,910)	Surplus/(deficit) for the year after transfers	(131,227)	(26,954)	
436,588	General fund brought forward	387,678	336,213	
387,678	General fund carried forward	256,451	309,259	
	Capital items from the General fund			
	IT and printers	3,000		
	Telephone system	1,250		
	Archive cabinet	2,200		
	Pay & Display meters Old Hills x2	12,000		
	Chain saws	2,000		
	Brush cutters	2,000		
	Field Staff replacement Pickup	25,000		
	6 foot harrow	1,000		
	Backbox for tractor	1,000		
	Small flail replacement	5,000		
	Large side arm flail replacement	23,500		
		77,950		

Malvern Hills Trust
Designated funds budget for the year ended 31st March 2025

N/C	Unrestricted Gifts	Modernisation of Acts	New Act other expenses	Dog campaign des fund	Fundraising	Election exps des fund	Car park repair fund	FAM replacment fund	Tree disease des fund	Ash dieback fund	CS					Basic Payment Scheme	Total
											CS North & Central	Southern Hills	HLS Chase End	HLS Old Hills	Grazing reserve		
											£	£	£	£	£		
4015 - Other grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,500	1,500
4020 - Stewardship annual grants	0	0	0	0	0	0	0	0	0	0	76,000	18,567	3,144	3,549	0	0	101,260
4310 - Land rentals	0	0	0	0	0	0	0	0	0	0	2,217	0	0	0	0	0	2,217
4325 - Licences	0	0	0	0	0	0	0	0	0	0	5,500	750	0	0	0	0	6,250
Total income	0	0	0	0	0	0	0	0	0	0	83,717	19,317	3,144	3,549	0	1,500	111,227
5000 - Contract labour	0	0	0	0	10,000	0	5,100	5,557	0	60,000	4,000	2,000	750	550	0	12,000	99,957
5100 - Graziers	0	0	0	0	0	0	0	0	0	0	62,400	15,000	0	2,700	0	0	80,100
5110 - Stewardship schemes direct costs	0	0	0	0	0	0	0	0	0	0	3,000	2,219	2,083	250	1,500	0	9,052
5035 - Treework	0	0	0	0	0	0	0	0	0	0	0	0	0	10,000	0	0	10,000
5510 - Communications support and engagement	0	0	15,000	0	0	0	0	0	0	0	0	0	0	0	0	0	15,000
6075 - Legal fees	0	13,899	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,899
6100 - Other professional fees	0	0	25,000	0	0	0	0	0	0	0	0	0	0	0	0	0	25,000
7015 - Casual staff inc on costs	0	0	50,000	0	0	0	0	0	0	0	0	0	0	0	0	0	50,000
8015 - Depreciation - land management equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,667	0	1,667
Total expenditure	0	13,899	90,000	0	10,000	0	5,100	5,557	0	60,000	69,400	19,219	2,833	13,500	3,167	12,000	304,675
Surplus/(deficit) for the period before transfers	0	(13,899)	(90,000)	0	(10,000)	0	(5,100)	(5,557)	0	(60,000)	14,317	98	311	(9,951)	(3,167)	(10,500)	(193,448)
4600 - Transfers from other funds	0	0	104,000	0	0	5,000	0	0	13,000	0	0	1,000	1,000	0	0	0	124,000
5105 - Transfer to general fund - stewardship staff time	0	0	0	0	0	0	0	0	0	0	0	0	(367)	(605)	0	0	(972)
8100 - Transfers to other funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(2,000)	0	(2,000)
Surplus/(deficit) for the period after transfers	0	(13,899)	14,000	0	(10,000)	5,000	(5,100)	(5,557)	13,000	(60,000)	14,317	1,098	944	(10,556)	(5,167)	(10,500)	(72,420)
Funds brought forward	280,315	13,899	0	3,501	10,000	0	5,100	5,557	48,755	137,473	138,158	19,089	2,367	21,130	58,059	24,571	767,974
Funds carried forward	280,315	0	14,000	3,501	0	5,000	0	0	61,755	77,473	152,475	20,187	3,311	10,574	52,892	14,071	695,554
Cash movement																	
Surplus/(deficit) as above																	(72,420)
(Increase)/decrease in debtors																	0
Increase/(decrease) in creditors																	0
Net increase/(decrease) in cash																	(72,420)
Cash brought forward																	600,287
Cash carried forward																	527,867

Malvern Hills Trust
Restricted funds budget for the year ended 31st March 2025

N/C	Parliamentary fund	Capital Outlay d'chgd	Lands Purchase fund A	Lands Purchase fund B	Lands Maintenance fund	New Act legal fees	Restricted Gift fund	Picnic bench donations	Tree donation scheme	UTCF	SDF fund	Total
	£	£	£	£	£		£	£	£		£	£
4500 - Investment income @ 3%	10,440	0	15,750	6,147	5,430	0	0	0	0	0	0	37,767
4600 - Transfers from other funds	0	135,000	9,000	4,770	0	229,500	0	0	0	0	0	378,270
Total income	10,440	135,000	24,750	10,917	5,430	229,500	0	0	0	0	0	416,037
6075 - Legal fees	0	0	0	0	0	229,500	0	0	0	0	0	229,500
6115 - Investment manager's charges @ 0.6%	2,400	0	2,350	1,266	1,122	0	0	0	0	0	0	7,138
8005 - Depreciation - impts to I&b	0	16,000	0	0	0	0	0	0	0	0	0	16,000
**** - Transfer to New Act designated fund	0	0	150,000	79,500	0	0	0	0	0	0	0	229,500
8100 - Transfers to General fund	10,000	0	0	0	5,000	0	0	0	0	1,500	0	16,500
8100 - Transfers to COD (capital items purchased) ¹	135,000	0	0	0	0	0	0	0	0	0	0	135,000
Total expenditure	147,400	16,000	152,350	80,766	6,122	229,500	0	0	0	1,500	0	633,638
Surplus/(deficit) for the period	(136,960)	119,000	(127,600)	(69,849)	(692)	0	0	0	0	(1,500)	0	(217,601)
Funds brought forward	483,713	1,569,757	525,881	204,908	181,870	0	8,666	2,604	244	1,500	452	2,979,595
Funds carried forward	346,753	1,688,757	398,281	135,059	181,178	0	8,666	2,604	244	0	452	2,761,994
Cash movement												
Surplus/(deficit) as above												(217,601)
Loan to designated fund to cover cost of legal fees for new Act - taken from investment portfolio LP B												79,500
Add back COD movement (not cash)												(119,000)
Add back funds transferred from investment portfolio to cover expenditure												135,000
less LP investment income retained in portfolio												(21,897)
Net increase/(decrease) in cash												(143,998)
Cash brought forward												234,544
Cash carried forward												90,546
1 Capital items purchased from Parliamentary fund												
SAW loos water main replacement	10,000											
Manor House power supply upgrade	10,000											
Earnslaw Wall rebuild	10,000											
Manor House part 2 (BP 2.4.1)	25,000	From 23/24										
Top Shed Storage (BP 2.4.3)	30,000	From 23/24										
Lower Shed part 2 (BP 2.4.4)	50,000	From 23/24										
	135,000											

Malvern Hills Trust
Cash flow movement by fund group 2024/25

	General fund	Designated funds	Restricted funds	Total								
	£	£	£	£								
Cash balances brought forward	308,640	600,287	234,544	1,143,471								
Net cash inflow/(outflow)	(168,677)	(72,420)	(143,998)	(385,095)								
Cash balances carried forward	139,963	527,867	90,546	758,376								
General fund monthly cash flow												
	April	May	June	July	August	September	October	November	December	January	February	March
	£	£	£	£	£	£	£	£	£	£	£	£
Surplus/(deficit) for the period	(114,050)	(49,385)	276,511	(59,174)	(61,723)	(14,961)	(67,503)	(60,516)	217,317	(59,617)	(59,534)	(78,593)
Add back depreciation	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375
Less capital expenditure	(57,333)	(2,783)	(12,583)	(583)	(583)	(583)	(583)	(583)	(583)	(583)	(583)	(583)
Net cash inflow/(outflow)	(168,008)	(48,793)	267,303	(56,383)	(58,931)	(12,169)	(64,711)	(57,724)	220,108	(56,825)	(56,742)	(75,802)
Cash balance brought forward	308,640	140,632	91,839	359,141	302,759	243,828	231,659	166,948	109,224	329,332	272,507	215,765
Cash balance carried forward	140,632	91,839	359,141	302,759	243,828	231,659	166,948	109,224	329,332	272,507	215,765	139,963

Malvern Hills Trust
Forecast Balance Sheet as at 31st March 2025

	Opening balance sheet 1.4.24	Closing balance sheet 31.3.25	
Fixed assets			
Tangible assets	1,677,363	1,833,812	
Investments	1,227,693	1,035,090	
	2,905,056	2,868,902	
Current assets			
Livestock	31,452	31,452	
Debtors, prepayments and accrued income	116,931	116,931	
Investments	84,788	84,788	
Cash at bank	1,143,471	758,376	
	1,376,642	991,547	
Creditors: Amounts falling due within one year	146,451	146,450	
Net current assets	1,230,191	845,097	
Pension FRS 102 liability	(737,000)	(737,000)	
Net assets	3,398,247	2,976,999	
Represented by funds:			
Unrestricted - General Fund	387,678	256,451	
Unrestricted - Designated funds	767,974	695,554	
Unrestricted - Pension FRS 102 liability	(737,000)	(737,000)	
Restricted funds	2,979,595	2,761,994	
	3,398,247	2,976,999	0

Ordinary meeting of the Board

Title: Policy on staff attendance at Committee / Board meetings

Date: 18.1.2024

BACKGROUND PAPERS

Current MHT policy: *'Attendance by staff during discussion of confidential items and Board/Committee meetings'*.

SUMMARY

The above policy is due for review as it was last approved by Board in August 2021, and it is routinely reviewed at the start of every new Board.

There are no major changes suggested and just a few minor changes. These are presented on the policy below.

RECOMMENDATION:

That the Board discusses the revised policy and adopts it.

Jonathan Bills
Conservation Manager
8.1.2024

Policy on attendance by staff during discussion of confidential items ~~at~~ and Board/Committee meetings

Staff are encouraged to attend Board and Committee meetings in order to gain a greater understanding of how and why the Board reaches its decisions. Staff members should normally be allowed to remain in attendance at Board/Committee meetings for discussion of confidential agenda items.

Staff are also responsible for minuting decisions taken and talking through papers. It is therefore not helpful to exclude staff unnecessarily.

However, there is a need to strike a balance between:

- ~~Board~~ members feeling able to have open and honest discussions,
- protecting confidential information relating to individuals,
- creating a sense of openness, trust and transparency between staff and the Board and
- the Board having the benefit of input from relevant staff when debating issues.

Staff members (other than the CEO, Finance and Administration Manager and the Secretary to the Board) ~~may~~should be excluded where the Board are about to discussing matters relating to:

- sensitive discussions regarding employment terms and conditions of the staff team as a whole (e.g. the future of the pension scheme),
- the terms and conditions of employment of an individual member/member of staff and
- issues such as the performance of a member of staff, a disciplinary matter relating to a Board member or member of staff, a grievance raised by a Board member or member of staff – or any other sensitive HR issue.

There may also be occasions where it is appropriate that the trustees have a discussion without one or more of the three senior staff above being present. In this case the member(s) of staff will be asked to leave the meeting. Following the private discussion, the member of staff responsible for writing the minutes (normally the Secretary to the Board) will return to the meeting to record any decision taken and the reasons for them.

This policy to be reviewed at the beginning of the term of office of each new Board.

Ordinary meeting of the Board

Progressing a Private Bill

18 January 2024

Background

Induction sessions have been held for all trustees to enable them to understand the need for and the scope of a proposed Private Bill.

Trustees have access to the application which was made to the Charity Commission for s74 consent (these remain confidential documents in their current form) which sets out in detail the reasons why the Trust needs to prepare a Private Bill, the changes currently proposed and all of the past minutes and papers which are relevant to the decisions which have been made. Any trustee requiring detailed information should re-read these documents.

Trustees are aware that the last date for lodging a Private Bill this year is 27 November. The Trust has been advised that once deposited, it is impossible to say with certainty how long the Bill would take to become law – possibly 3 years if it is heavily opposed. Trustees are also aware that the changes made by the Malvern Hills (Electoral Changes) Order 2023 mean that the chances of Malvern Hills District Council being able to conduct the Trust's next scheduled elections in 2027 on the basis of the old Acts are very uncertain and the Trust has been told by the Department of Levelling Up, Department of Culture Media and Sport and the Charity Commission that the only way forward to make the changes is by way of a Private Bill.

Trustees have been circulated with the outline timetable from which it is evident that a start needs to be made on preparing the Bill as soon as possible.

A number of points came out of the consultation in 2019 (see appendix). Some of them have been incorporated into the draft proposals but the Trust needs to take advice on others before considering them further. This work has been delayed in order not to incur expense before a decision to proceed has been taken but once that decision is taken, this advice should be sought.

At this stage the Board needs to identify the proposals which are sufficiently developed to be passed to the Parliamentary Agent. Minor changes can be made in due course and clearly ALL of the provisions will come back to the Board for consideration and approval once the Parliamentary Agent has advised on them and prepared a first draft. A list of those provisions which had broad support at the Workshop which took place on 8 January 2024 will be circulated prior to the meeting to facilitate a decision.

We are aware that some of the proposals will require further work to ascertain the Board's suggestions and wishes. It is proposed that these should be passed to the Governance Committee to plan the work which needs to be done in order to finalise these points.

The Trust is still awaiting confirmation from the Charity Commission that it will make an order under s105 authorising the making of a loan from the Land

Purchase Fund to fund legal work on the Bill. There is sufficient in the Designated Fund (just over £22,000 at the time of writing) to cover any further preparation work or preliminary advice, but the Trust might consider it prudent to delay asking work to start on drafting until it is clear that the funding is in place.

Recommendation

That the Board should resolve:

- a) That the Trust should seek a Private Bill to update its governance with a view to lodging the Bill in November 2024
- b) That the new Act will be a consolidating Act

The Board should also:

- c) Identify which provisions are ready to be passed to the Parliamentary Agent for him to commence work
And resolve that
- d) Once confirmation is received from the Charity Commission that the Trust can make a loan from the Land Purchase Fund to fund the preparation and promotion of the Bill:
 - i. These provisions be passed over to the Parliamentary Agent for him to commence work and
 - ii. The Parliamentary Agent should be asked to consider and advise as appropriate on the action points arising out of the consultation

Susan Satchell
Helen Stace
08.01.2024

Appendix

Recommendations from consultation

Objects

- Further consider the phrase cited from the Glover Report and whether the current draft objects encompass or should encompass concepts such as ecosystem and biodiversity.
- Subject to the above, the objects clause, as drafted, should remain part of the Scheme, except for removal of the words "cultural landscape".
- Include a clause that, where any area is closed to public access, the decision should be subject to annual review.

New arrangements for appointment of the board

- Add a provision that, in the event of multiple elected trustee positions becoming vacant at one time, then a by-election should be held, (subject to there being more than 6 months before the next scheduled elections). However, single vacancies should be temporarily filled by the INP until the date of the next scheduled election.
- Further consideration be given to the establishment of an 'INP selection working group' for identifying/appointing the initial membership of the INP (who would thereafter appoint their own successors).

Modernising the board's administration

- Review whether the requirements in relation to the proportion of trustees who can take part in a meeting electronically might helpfully be relaxed
- Review whether urgent decisions might be made in writing, with the agreement of less than all appointed trustees, (for example agreement by 75 % of members)
- Review whether the word 'urgent' needs to be defined in this context
- Amend the draft so that committee meetings are open to the public if they will make decisions under delegated powers
- Review the provisions for exceptions to the rule that trustees can receive no payments.

Securing the commons and livestock

- Reassessment of the wording in relation to "securing the common".
- The inclusion of a "break" period of 6 months to prevent temporary fencing for animal health reasons from being taken down for a few days and then replaced.
- The addition in a rider to section 4 of the fencing clause to state that nothing in the section should be taken to derogate from the duty on any person to fence against the common.

Quarrying and Removal of Spoil

- Make further enquiries to establish a more appropriate consultee in relation to taking rock and spoil including the possible importance of any deposits to wildlife.

- s15 1884 Act should not be repealed, but updated.
- Further consideration of the suggested change of wording on page 50 from “do not prevent access by pedestrians and horse riders” to “by all authorised users”.

Ancillary land and buildings, leases and licences

- To seek advice on whether to amend s 8 1995 Act to make it clear that any consent to works by the Trust does not constitute a power for the purposes of s38(6)(a) Commons Act 2006.
- The number of days for which licences can be granted to temporary food stalls be reduced from 7 to 4

Land Management Other

- To reinstate the requirement to consult Historic England under s15(3)(a) MHA 1995 for fencing for longer than 28 days
- To reinstate the requirement to act on the advice of Natural England under s15(3)(d) MHA 1995 for fencing for longer than 28 days
- To seek advice on the OSS comment on adopting the duty of care under the CROW Act.

Ordinary meeting of the Board

Dealing with the absence of the CEO

18 January 2024

Background

There have been contingency arrangements in place for many years to cover the absence of the CEO, either planned absences or to cover unexpected events for example ill health.

From 2005 until 2014 the staff structure included a post of Deputy Director. The post holder was generally the longest standing member of the senior management team – in the past the Administrative Officer/Secretary to the Board, and also for a period the Conservation Officer. This individual had authority to act in the Director's absence.

Since January 2018 the outgoing Secretary to the Board has been authorised to exercise all the functions and duties of the CEO, including the signing of deeds, documents and contracts in the CEO's absence. She was also appointed to act as Returning Officer.

Present position

The ongoing role of the outgoing Secretary to the Board is addressed in Paper F. However, if that role is to be limited primarily to work on the Private Bill, it would be appropriate to appoint a different individual.

Recommendation

1. Outgoing Secretary to the ceases to be the Deputy from 1st February 2024
2. Interim CEO to consider who might be delegated to this role in the future

Helen Stace
08.01.2024

Ordinary meeting of the Board
Title: Proposal for a new format for the Meeting Agenda
Date: 18 January 2024

BACKGROUND

At present, much of the early part of the Board meeting is taken up by the members of the Committees agreeing the accuracy of the Minutes of their meeting, prior to their adoption by the Board. The Board then approves the recommendations made by the Committee.

Sometimes this means that some time has elapsed before substantive items of business are considered and several Trustees have commented that this is not conducive to effective consideration of important matters.

PROPOSAL

This proposal has 2 elements:

Ratification of Minutes prior to the Board. The recommendation is that draft minutes are circulated promptly to Committee members for comment by a clear deadline. Revised Minutes would then be circulated with a request for Committee members present at the meeting to confirm their accuracy. For all Trustees other than one member of Land Management Committee, this can be done via voting buttons on the emails for ease of management and record keeping.

Hence, Minutes presented to the Board would already have been ratified by the Committee and would only need adoption by the Board.

Dealing with Resolutions: Substantive issues such as the Budget and Levy are generally taken as full budget items and would be considered prior to the Minutes and less substantive resolutions of each committee.

Adoption of Minutes and consideration of less substantive recommendations would then follow the substantive business.

This would have the benefit of considering the important items earlier in the meeting, as well as streamlining the work of the Secretary to the Board.

By way of example, the Agenda for today's meeting would have appeared as shown in Annex 1.

<p>RECOMMENDATION: The Board considers adopting this format as a trial for the next Board meeting (and relevant Committee meetings)</p>
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Helen Stace
Interim CEO

ANNEX 1

Draft new Agenda format

Introduction

1. Apologies for absence
2. Chair's Announcements
3. Declarations of Interest
4. Public Comments

Confirmation of Previous Board Meeting

5. To confirm the Minutes of the Board meetings held on 16 November 2023 and 30 November 2023. Pages 1 – 9
Confidential pages 1 - 4
6. Matters arising from the previous Board meetings not otherwise on the agenda

Items for decision

7. To appoint Mary Turner to Finance and Admin Committee
8. Private Bill
To receive: a summary of Bill costs to date.
To agree:
 - a) To proceed with the preparation of a Private Bill with a view to lodging it in November 2024
 - b) That the new Act will be a consolidating Act (except Levy provisions)
 - c) That the provisions listed in the paper can be signed off and passed over to the Parliamentary Agent.
9. Staff at confidential meetings policy review
10. Proposal for a new format for Board Agenda
11. Urgent business

Other Committee business for decision

12. Land Management Committee – verbal update from Chair
13. Finance Resources and Administration Committee
 - 13.1. Board to adopt the minutes
 - 13.2. Chair of Committee – updates and questions
 - 13.3. Resolutions recommended to board (not otherwise on the Agenda)
 - 13.3.1. To approve the investment risk levels as currently drawn up
14. Governance Committee – verbal update from Chair
15. Staffing Committee – verbal update from Chair

Items for information

- 16. Management Report
- 17. Reports from Advisory panels and other bodies
- 18. Date of next meeting: 7 or 14 March 2024

Confidential items

Resolution to exclude the public for discussion of item 21 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).

CONFIDENTIAL

- 19. Matters arising from confidential minutes of Board meetings
- 20. To make provision for staffing arrangements to support the work on the Private Bill