



Malvern Hills Trust

Ordinary Meeting of the Board

Thursday 11 July 2024 at 7.00 pm

RBC Brewin Dolphin in attendance

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

Malvern Hills Trust

Ordinary Meeting of the Board

The Council Chamber, Avenue Road, Malvern WR14 3AF

Thursday 11 July 2024 7pm

Agenda

Introduction

1. Apologies for absence
2. Chair's Announcements
 - 2.1. Motion of support for MHT staff proposed by Charles Penn, Chair of Staffing Committee
That the Board
 - ◆ notes the recent campaign of disinformation against the Malvern Hills Trust, in which unfounded, inflammatory and grossly misleading statements have been made about the organisation and its work;
 - ◆ acknowledges the negative effects this toxic activity may have had on members of staff at all levels of the organisation;
 - ◆ conveys its heartfelt thanks to all staff for their forbearance and stoicism, and for the professional manner in which they have continued to discharge their duties during this difficult time.
3. Declarations of Interest
4. Public Comments

Confirmation of Previous Board Meeting

5. To confirm the Minutes of the Board meeting held on 9 May 2024
Pages 4-9
Confidential pages 2-3
6. Matters arising from the previous Board meeting not otherwise on the agenda

Items for Decision

7. Investment Report for July 2024 (Ed Caswell of RBC Brewin Dolphin in attendance)
Paper A Confidential pages 4-28
8. Bill/Public Consultation Update (verbal)
9. Delegated authority – budget sign off levels
Paper B Pages 10-12
10. Annual review of temporary fencing on the Malvern Hills
Paper C Pages 13-15
11. Property Management – reported land movement on approach road to St Ann's Well
Paper D Pages 16-20
12. Annual Report
13. External Audit and Annual Meeting
14. Annual review of risk management strategy
To note the recommendations from FAR:
 - that the Board approve the commissioning of a shorter risk management document with more succinct content, with relevant committees taking ownership of respective areas.
 - that a risk management workshop be arranged for all Trustees to consider any movement in final risk scoring and overall shifts to red/amber/green.
15. Urgent Business

Other Committee Business for Decision

16. Finance, Administration & Resources Committee – meeting of 20 June 2024

- 16.1. Chair of Committee – verbal updates and questions
- 16.2. Resolutions recommended to Board (not otherwise on the agenda)
 - that the Board note the actions now being taken by MHT staff, further to the special Board meeting of 5 October 2023, to source an alternative Data Protection Officer and arrange GDPR training for staff and Trustees.

17. Land Management Committee – meeting of 27 June 2024

- 17.1. Chair of Committee – verbal updates and questions
- 17.2. Resolutions recommended to Board (not otherwise on the agenda)
 - that the Board approve the installation of Malvern Wells Parish Council's preferred design of signage, albeit with two posts per sign in all locations for visual attractiveness. The Peachfield Road sign is to be integrated in the space with other street signs.
 - that the approach of finding consensus and a placemaking ethos should become the Trust's regular approach to land and property matters.
 - that the Board approve the proposed timetable for the production of the Land Management Plan 2026-2031.

Items for Information

18. Red flags on the Risk Register

To note that the CEO considers the following red risks to be of current concern to the Board:

- 2.4 Changes to Local Government Ward Boundaries.
- 3.1 Loss of reputation.
- 3.2 Adverse publicity, loss of confidence, loss of influence, impact on staff morale.
- 3.5 Impact of local campaigns by groups or individuals diverting organisational focus.
- 5.4.1 Grant funding being reduced by unilateral changes to existing agreements made by Rural Payments Agency.

19. Management accounts for the 12 months ended 31 March 2024

Paper E Pages 21-29

20. Dates of next meetings

- 8 August 2024 – Special Meeting
- 12 September 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 (matters relating to individuals/commercially sensitive business).

CONFIDENTIAL

21. Matters arising from the confidential section of the previous Board meeting not otherwise on the agenda

Malvern Hills Trust

Ordinary Meeting of the Board

Malvern Cube, Albert Road North, Malvern WR14 2YF

Thursday 9 May 2024 at 7 pm

Present: David Core (Chair), David Baldwin, Richard Bartholomew, Robert Berry, Paul Clayburn, Allan Cottam, Mark Driscoll, David Fellows, Richard Fowler, Lucy Hodgson, John Michael, Charles Penn, John Raine, Felicity Robinson, Chris Rouse, John Stock, Frances Victory, Malcolm Victory, Duncan Westbury, Mike Wilkinson and Sheila Wren.

In attendance: CEO, Secretary to the Board, Governance Change Officer, Conservation Manager, four members of the public.

1. Apologies for absence

Cynthia Palmer and Mary Turner.

2. Chair's announcements

2.1 Jeremy Owenson had resigned from the Board. Malvern Hills District Council had indicated that they would not be nominating a replacement at present.

2.2 John Raine had resigned as Chair of Governance Committee. Paul Clayburn had been elected as his replacement.

3. Declarations of interest

There were none.

4. Public Comments

Malcolm McCrae asked when levy payers could expect responses to public comments made at the Board meeting on 18 January 2024. David Core noted that Prof McCrae had asked under what auspices the Trust would submit the Private Bill; it was as a Charity governed by Statute. He also referred to the comment made by Mike Huskinson about the Bill being a consolidating Bill and said that this was not the case. It was a Private Bill, which might consolidate the five existing Acts. David Core highlighted the statement made by the Charity Commission regarding the level of public interest arising from the 2019 public consultation. The Commission had directed that a Parliamentary Bill would be the best way forward because it would allow for greater public scrutiny.

5. Confirmation of Minutes of Previous Meetings

5.1 Ordinary Meeting of 7 March 2024

On the proposal of Sheila Wren, seconded by Richard Bartholomew, it was **RESOLVED** with 18 in favour and three abstentions, to approve the minutes of the Board meeting held on 7 March 2024.

5.2 Special Meeting of 18 April 2024

On the proposal of Paul Clayburn, seconded by Richard Bartholomew, it was

RESOLVED with 13 in favour and seven abstentions, to approve the minutes of the Special Board meeting held on 18 April 2024.

6. Matters Arising from previous Board meetings

6.1 Link Top Sink Hole

The CEO reported that the Trust had taken action, battering back the banks of the hole, fencing off the area to make it safe, commissioning a camera survey, and preparing to commission a drainage engineer to fix whatever was found. The Severn Trent Water troubleshooting team was also now involved and had conducted their own camera survey. They believed that the hole was either their responsibility or that of Worcestershire Highways. In answer to questions, the CEO confirmed that the Trust would seek to recoup costs from whomever was found to have responsibility, and in the event of disagreement, would take action to mend the pipe anyway, as previously authorised by the Board.

7. Governance Change Update

7.1 Bill Consultation Document

The Board had received a copy of the draft of the Consultation Document. The Governance Change Officer (GCO) reported that it was similar to the 2019 document, but there were some key differences:

- The changes would now be made by a Bill and not a Scheme.
- It incorporated the problems arising out of the local government boundary changes, and changed the proposal relating to the election of trustees to reference 'parishes' rather than 'wards,' linking the electoral area to levy paying areas.
- It incorporated the changes which the Board had agreed, arising out of the responses to the 2019 consultation.
- The questions in the 2019 consultation where more than 2/3rd of the respondents had been in favour had not been repeated. The exception to this was the objects clause, which had been slightly reworded.
- The general power had been reworded.
- The proposed draft clauses had been reworded by the Parliamentary Agent (PA).
- Options were incorporated on the method for trustee selection.
- Following Covid, there was a proposal to allow online meetings.
- The proposal to allow decisions to be taken outside meetings had been changed to require 75% of trustees to agree instead of 100%.
- The proposal on public access to meetings had been slightly amended.
- It was proposed to adopt general charity law in relation to payments and benefits to trustees; rather than setting out a separate provision.
- Where temporary fencing was erected for animal health reasons, there would need to be a significant break before fencing could be erected again.
- Temporary food stalls associated with events would be allowed for a maximum of four days rather than seven.

7.2 Public meetings

The GCO said that four drop-in sessions had so far been arranged in locations across the Trust's land holding area. Staff and Trustees would be in attendance at each. Leaflets containing details of the venues were being distributed to all those visiting Manor House to renew their car park passes.

The CEO said she was aware of public meetings being held by the Malvern Environment Protection Group on Saturday 11 May. The Group had declined the Trust's request to speak at the meetings, but Trust representatives intended to attend nevertheless as members of the public.

7.3 Questions and comments from Trustees

- Several trustees commented that the document was comprehensive, straightforward and clear.
- Richard Fowler challenged the suggestion that there was no clear definition of the phrase 'natural aspect'. He also challenged the assertion that £40k could be saved on the costs of elections when they would be taking place every two years instead of every four.
- In answer to a query about the General Power, the GCO confirmed that the PA had been asked to include clear restrictions on its use. She emphasised that if the Trust did not have such a power, it would have to go back to Parliament every time there was a new issue. David Core pointed out that anything the Board did had to be in the best interests of the Trust and in line with its objectives; it was not in the gift of Trustees to misuse the General Power.
- In answer to a question about how responses would be collated, the GCO said responses would primarily be made through an online questionnaire, but that paper documents would also be available. The former Administrative Assistant had returned to the Trust on a temporary basis to support the consultation and she would be available to help people respond. The company hosting the consultation would produce a report compiling the responses, which would be available both to Trustees *and* to the public.
- It was suggested that it would be helpful to highlight why the Trust was consulting again. The GCO said this information was already there, but she would ensure it was highlighted on the web page.
- It was suggested that the proposed changes should be highlighted to make them easier to pick out.
- The GCO assured the meeting that there would be an executive summary.
- It was suggested that the response to the 2019 survey had been disappointing (470 responses received from around 29,000 levy payers) and that it was to be hoped that the contractor, 56 Degree Insight Limited, would achieve a better response rate. The GCO said that Worcestershire County Council, who had managed the 2019 survey, had actually been pleased with the level of response achieved.

7.4 Resolution

On the proposal of Malcolm Victory, seconded by John Raine, it was **RESOLVED**, with 19 in favour, one against and one abstention, to delegate finalisation of the Consultation Document to the GCO and the CEO. Thanks were recorded to the GCO and CEO for all their work so far.

8. Property Management

The Board received a paper prepared by the CEO on improving property management through the creation of the Property Manager post.

The CEO reported that she had been tasked following the Staff Review to review the whole staff structure. She had identified a need for the Trust to be more proactive in property matters, in order to secure land holding, recover proper fees and licences to which it was entitled, prevent encroachments, and to reduce the need to buy in legal advice. The Trust had consulted colleagues at the Madresfield Estate, and HRDept (its HR provider), when preparing the proposal for the new post of Property Manager, which had been submitted to Land Management Committee on 11 April. The original proposal had been for a part-time one year fixed contract post, but the Committee had recommended that it should be full-time and two years fixed, in order to attract candidates of the required calibre. The cost of the post was estimated to be £20-30k in 2024-25.

Some concern was expressed as to whether the Trust would be able to attract candidates on the proposed salary. The CEO confirmed that the post would be a standard management role in the structure and paid on that scale; the advice from HRDept was that the Trust could expect to attract a number of candidates. The original draft job description had included line management of the Wardens, but this had been removed for the time being. It was noted that the creation of the new post would relieve pressure on workloads of several staff, including the CEO, Conservation Manager and Secretary to the Board, and might therefore help guard against further staff turnover.

It was hoped and expected that the new postholder would be able to increase income to the Trust, but no cost benefit analysis had yet been undertaken. It was suggested that the Finance, Administration and Resources Committee might want to look at this. It was confirmed that although the appointment would be made on a fixed-term basis, it would be the intention that it should become permanent.

In answer to a question, it was confirmed that it was proposed to draw down £10k from general reserves to pay a land agent to help deal with the current backlog of work.

On the proposal of Mike Wilkinson, seconded by Lucy Hodgson, it was **RESOLVED** unanimously that an MHT Property Manager post be included in the MHT staffing structure on a full-time basis fixed term for 18-24 months, and that MHT should actively recruit to the post to address property matters proactively.

On the proposal of Lucy Hodgson, seconded by John Stock, it was **RESOLVED**, with 20 in favour and one abstention, to draw down a maximum of £10k from general reserves to fund the services of a land agent to help clear the backlog of property-related work.

9. Staff/Trustee Protocol

The Board received the new Protocol, which had been finalised by the joint meeting of Staffing and Governance Committees on 2 May. The CEO commended it to the Board, stressing that work would continue. Sheila Wren, who had led the project, added that the Protocol formed just one of the recommendations arising from the Staff Review. She referred Trustees to the minutes of the joint Staffing/Governance Committee meeting, which highlighted certain aspects of the Protocol and the discussions around it.

Paul Clayburn said that he had previously had a concern about the Protocol, but having reflected that communication with staff was operational, he now commended the structure.

The Board noted that the Staff/Trustee Protocol would henceforth be incorporated into MHT's procedures, and that a review its effectiveness would be undertaken as necessary and in not less than 12 months' time.

The CEO thanked the Working Group for their hard work.

10. Urgent Business

None.

11. Land Management Committee

11.1 Approval of minutes by Committee members

On the proposal of Mike Wilkinson, seconded by Mark Driscoll, it was **RESOLVED**, with seven in favour and one abstention, to approve the open minutes of the Land Management Committee meeting held on 11 April 2024.

On the proposal of Paul Clayburn, seconded by Sheila Wren, it was **RESOLVED**, with seven in favour and one abstention, to approve the confidential minutes of the Land Management Committee meeting held on 11 April 2024.

11.2 Adoption of minutes by the Board

On the proposal of Lucy Hodgson, seconded by Mark Driscoll, it was **RESOLVED** unanimously to adopt the open minutes of the Land Management Committee meeting held on 11 April 2024.

On the proposal of Sheila Wren, seconded by John Raine, it was **RESOLVED** unanimously to adopt the confidential minutes of the Land Management Committee meeting held on 11 April 2024.

11.3 Resolutions recommended to Board

Covered under minute 8.

12. Staffing and Governance Committees

12.1 Approval of minutes by Committee members

On the proposal of Charles Penn, seconded by Paul Clayburn, it was **RESOLVED**, with nine in favour and two abstentions, to approve the minutes of the joint meeting of Staffing and Governance Committees held on 2 May 2024.

12.2 Adoption of minutes by the Board

On the proposal of Charles Penn, seconded by Lucy Hodgson, it was **RESOLVED**, with 20 in favour and one against, to adopt the minutes of the joint meeting of Staffing and Governance Committees held on 2 May 2024.

12.3 Resolutions recommended to Board

On the proposal of David Fellows, seconded by Richard Bartholomew, it was **RESOLVED** unanimously to adopt minor legislative changes to the Staff Handbook regarding flexible working and co-parent leave, as recommended by the Trust's HR provider.

13. Wildlife Panel

The Conservation Manager (CM) reported that an excellent, well-attended meeting of the Wildlife Panel had taken place on 10 April. The Panel met three times a year, with the first being an indoor meeting that provided an opportunity for exchange of information with other experts and the remaining two being outdoor visits, this year to Central Hills and Old Hills. The Board's three representatives on the Panel agreed that it had been a fascinating and constructive meeting; they had appreciated the partnership between the Trust's staff and volunteer experts.

Sheila Wren asked whether the Panel commented on bats. The CM said that there was a bat expert on the group, although the Panel did not comment on bats specifically. There was a telemetry project to track where bats went and where they fed. Lucy Hodgson said that streetlights on the A4440 on Worcester were set on red to help bats and asked if Malvern had a similar scheme. The CM was not aware of one but said he would investigate.

14. Date of next meeting

11 July 2024 at the Council House, Malvern.

15. Confidential Items

On the proposal of Paul Clayburn, seconded by John Raine, 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 (matters relating to individuals and commercially sensitive information).

The GCO left the meeting at 8.35 pm.

The meeting closed at 8.55 pm

Ordinary Meeting of the Board

Delegated authorities – staff sign-off process and levels.

11.07.2024

Background Papers

None

Delegated authorities

This paper seeks the Board's steer on delegated authorities and process on the budget including sign-off process and levels for the CEO and senior managers.

Background and context

During the Covid-19 pandemic, the previous CEO kept closely involved in every aspect of spend, given income levels from activities such as parking might have been affected. The process remained and in June 2024, the Senior Management Team (SMT) reviewed it. In practice, at the invoicing stage, senior managers will have already committed amounts for spend within agreed budgets and approved these via the purchase order process. In recognition of this the proposal is that, rather than the CEO, each senior manager will see their invoices for sign off and the Finance and Administration Manager will review and sign all invoices at payment point.

The Procedures Manual details all current sign-off levels and an extract is provided at Annex 1.

In June 2024, the Senior Management Team reviewed sign-off levels in the light of inflation and other factors. In practice, senior managers know the detail of licences and contracts that contain approved payment amounts and will make payments accordingly. An example would be a payment of £30,000 twice-yearly to the grazier by the Conservation Manager. Given inflation and in the interest of the CEO having more of a strategic operational role, it was felt appropriate for the CEO to continue to oversee contracting as per existing levels of delegation.

Subject to Board approval, it is proposed that the CEO is to have a new level of sign-off for £10,000 single item and a limit of £25,000 in total for the financial year and senior managers to have a new level of sign-off for £5,000 for a single item.

Options

The options to be presented to the Board are:

1. Stay the same

The CEO would continue to be the only named staff member delegated to sign-off budget amounts. CEO would continue to sign all invoices at payment point. Sign-off levels would stay the same. This is a less efficient option.

- 2. Increase CEO sign off levels and introduce SMT sign-off levels and amend the process.** For the CEO a suggested £10,000 single item and a limit of £25,000 in total for the financial year. For SMT to have a delegated £5,000 single item limit. Rather than the CEO, each senior manager will see their invoices for sign off and the Finance and Administration Manager will review and sign all invoices at payment point. This is efficient and releases the CEO to undertake more strategic operational work.

RECOMMENDATIONS:

- Option 2 – Sign-off at payment point undertaken by FAM. MHT senior managers to have a sign-off level of £5,000 and the CEO sign-off to increase to £10,000 for a single item and a limit of £25,000 in total for the financial year.

Appendix 1 – Extract from Procedures Manual

The following is a list of fiscal and accounting responsibilities:

Board

1. Reviews and approves the annual budget,
2. Reviews annual and periodic financial statements and information,
3. Reviews Chief Executive Officer's performance annually and establishes the salary,
4. Appoints two members of the Board to be authorised signatories on the bank accounts,
5. Approves all contracts over £20,000,
6. Approves all non-budgeted expenditure over £10,000,
7. Approves non-budgeted expenditure in excess of the limits set for approval by the Finance, Administration & Resources Committee,
8. Sets internal controls and accounting policies and procedures,
9. Recommends an Auditor for appointment at the Annual Meeting of Levy Payers.

Finance, Administration and Resources (FAR) Committee

1. Reviews and recommends to the Board the annual budget,
2. Reviews annual and periodic financial statements and information,
3. Approves contracts for budgeted expenditure over £10,000 and below £20,000,
4. Approves non-budgeted expenditure between £5,000 and £10,000 for a single item, limited to £20,000 total in any financial year,

5. Approves non-budgeted expenditure in excess of the limits set for approval by the Chief Executive Officer, subject to the limit in 4 above.

Chief Executive Officer

1. Reviews and approves all financial reports including cash flow projections,
2. Ensures an appropriate budget is developed annually,
3. Approves cheque signing and BACS payment procedures,
4. Approves all contracts for budgeted expenditure under £10,000, in accordance with the procedures set out in this manual,
5. Reviews and approves non-budgeted expenditure up to £5,000 for a single item, limited to £15,000 in total for any financial year,
6. Reviews and approves all grant submissions,
7. Is a signatory on the bank accounts,
8. Oversees the adherence to all internal controls,
9. Reviews all payrolls and is responsible for all personnel files.

Ordinary meeting of the Board

Title: Annual review of the use of temporary fencing on the Malvern Hills.

Date: 11.7.2024

BACKGROUND PAPERS

Land Management Plan 2021-2026

Malvern Hills Acts, specifically the 1995 Act section 15

BACKGROUND

Section 15 of the 1995 Malvern Hills Act sets out ways in which the Trust may use temporary fencing to regulate or prohibit access by the public:

15(3)

- (a) *after consultation with the Historic Buildings and Monuments Commission for England, for the protection, so far as is reasonably necessary, of any ancient monument or any area of archaeological or historical interest;*

- (b) *for the protection and restoration of the natural beauty of the Malvern Hills and their suitability for rough grazing or recreation;*

- (d) *if advised by the Nature Conservancy Council for England that regulation or prohibition of access would be desirable in the interests of protection or preservation of flora or fauna or any area of scientific interest on the Malvern Hills, for such protection or preservation, so far as is reasonably necessary;*

Temporary fencing is very rarely used with the intention of prohibiting or restricting public access. The use of temporary fencing to manage grazing stock is a key tool in the effective delivery of the land management plan and for the maintenance and recovery of the SSSI habitats. There has been an ongoing debate as to whether public access via gates constitutes "restricting" access. Any "restriction" is, in almost all instances, a side effect of using fencing to guide grazing animals. Regrettably this is another instance where the wording of the statute does not fit the management requirements of the Trust.

Natural England has stated:

"We acknowledge the role of temporary electric fencing in order to achieve suitable levels of grazing intensity....Natural England is satisfied that the use of temporary electric fencing to further the conservation grazing of the lowland acid grassland feature represents the optimal management approach. At the time of writing, taking account of the SSSI's steep landform and its proximity to public roads and private property, no alternative, practical and affordable grazing controls are known. We recommend that a review of alternative management controls is completed no later than January 2031."

For clarity, the use of permanent fencing for public safety (at quarries for example) is authorised under a separate power in the 1930 Malvern Hills Act (s 4 (b)) and fencing to protect recently planted trees is authorised by the 1909 Act.

This paper provides detail of the current use of temporary fencing and provides opportunity for review by the Board.

TEMPORARY FENCES

Temporary fencing used on the MHT estate over the last 12 months is listed below. In all cases, when the arrangements were initially set up, notices were erected to explain the reasons for the fencing to the public and, where appropriate, also advertised. Details of grazing activities are reported online via 'Stockwatch' on the Trust's website, social media and reported in the Malvern Gazette.

Instances where temporary fencing for stock management is used, and public access is available:

1. Temporary, electric livestock compartments rotated around parts of the Northern Hills (End Hill - Summer Hill) over 12 months. The purpose is to enclose and guide grazing animals for the purpose of preserving the flora, as advised by Natural England (formerly Nature Conservancy Council) under (3)(d). Public access is permitted via handgates.
2. Temporary, electric livestock compartments rotated around parts of the Central Hills (Perseverance Hill -Wynds Point) to enclose and guide grazing animals for the purpose of preserving the flora, as advised by Natural England under paragraph (3)(d). Public access permitted via handgates.
3. Temporary, electric livestock compartments rotated around parts of the Southern Hills (British Camp - Ragged Stone Hill) over 3 months. The purpose is to enclose and guide grazing animals for the purpose of preserving the flora, as advised by Natural England under paragraph (3)(d). Public access is via handgates.
4. Temporary, electric livestock compartments rotated around parts of Castlemorton Common over 3 months. The purpose is to enclose and guide grazing animals for the purpose of preserving the flora, as advised by Natural England under paragraph (3)(d). Public access is permitted via handgates.

The Trust also uses temporary stock fencing with gates for a short period of time (less than 28 days) to assist the main grazier on Castlemorton Common to manage his ewes and lambs immediately after lambing. The fencing is employed across narrow strips of land. All paths are gated. The use of such temporary sheep pens for less than 28 days is permitted on common land under DEFRA guidance.

Instances where temporary fencing for livestock control is used but access is prohibited for safety.

1. Temporary, electric livestock compartments rotated around parts of the Old Hills over 3 months. The purpose is to enclose and guide grazing animals under (3)(b). Public access is prohibited due to the small compartment size and proximity to cattle.
2. Temporary fencing at Summer Hill for the purpose of protecting/ restoring the flora from further erosion as advised by Natural England (formerly Nature Conservancy Council) under paragraph (3)(d). Public access is prohibited.

A recent review of this successful erosion control project was circulated to trustees.

Note that, if all of the above temporary fencing compartments were to be in place at the same time (very unlikely), this would amount to about 120 hectares (10 %) of the Trust estate.

The key information from above will be included in the MHT Annual Review.

REVIEW BY TRUSTEES

The use of temporary fencing is necessary to achieve the aims set out in the Land Management Plan. The Trust only prohibits public access where it is absolutely necessary to achieve the protection required or, in the case of Old Hills, access is restricted in small areas for a limited time because of safety considerations.

The Trust does not seek to restrict public access when using grazing compartments as an essential part of its management of the Hills, but it is inevitable that access to the compartments is limited to the access points, so some users may be inconvenienced.

Board members are invited to review the continuing use of temporary fencing and make staff aware of any queries or concerns.

RECOMMENDATION:

That the Board review the usage of temporary fencing outlined above and confirm their approval for continued, similar use for the next 12 months.

Jonathan Bills
Conservation Manager
1.7.2024

Ordinary Meeting of the Board

Property Management – reported land movement on approach road to St Ann’s Well.

11.07.2024

Background Papers

None

Property Management – reported land movement on approach road to St Ann’s Well

This paper seeks the Board’s steer on the approach to reports of land movement on the approach road to St. Ann’s Well. The road is retained by a high wall above Foley Terrace, Malvern, which may potentially be liable to collapse.

Background and context

At the end of April, a number of reports were received about cracks in the tarmac at the bottom of the road leading up to St Ann’s Well. This appears to have worsened in recent weeks. A lamppost is also leaning.

We are concerned that this might be a sign that the retaining wall at the back of Foley Terrace could be liable to collapse. There are subsidence problems in the immediate area.

The CEO has since visited the area as has a warden and MHT trustee John Stock. A report on the latter visit and potential implications is appended.

Whilst the risk of collapse is considered raised to medium, the impact would be significant in terms of risk to life and access along Foley Terrace. Therefore, overall it may be considered a high (red) risk. The CEO has logged the incident on the Worcestershire County Council Highways portal and no response has been received at time of writing. It appears the Highway Authority may own the retaining wall structure (see map below).

Of note is work being done to the retaining wall behind another property in the vicinity by the Highway Authority. These issues are in line with those behind Rose Bank Gardens.



Structures marked on the Worcestershire Highways map

Options

The options to be presented to the Board are:

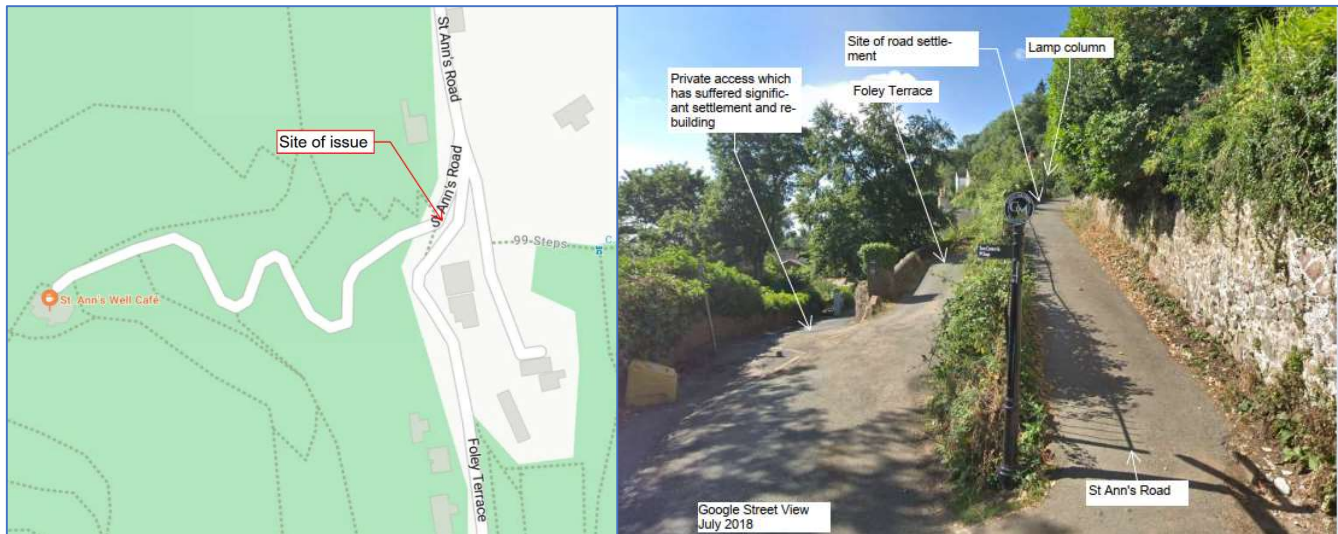
1. **Immediate actions taking a responsible approach: To:**
 - a. insert road 'line pins' either side of the road edge and identify any movements.
 - b. To photograph over time and monitor weekly and after wet periods.
 - c. CEO to contact Worcestershire County Council Highways via its chief executive to inform them of the issue with the intention to identify the owner.
 - d. Warden to seal the cracks of the settlement area with bitumen spray to reduce water ingress and provide a 'kerb' (use instant tarmac?) to direct water down to Foley Terrace rather than running 'over the edge', where it could exacerbate the settlement.
 - e. CEO to contact Malvern Hills District Council, to see if they own and maintain the lamp column and palisade fencing.
 - f. CEO to endeavour to contact those involved in the settlement near the 99 steps to learn and possibly talk to their geotechnical engineer.

2. **Suggested actions:** Consider taking geotechnical advice, ideally on a pro-bono basis. In case this is unavailable, the Board may wish to allocate a sum to enable the CEO to act swiftly, in the region of £10,000.

RECOMMENDATIONS:

- Option 1 – MHT staff to implement all immediate actions.
- Option 2 – The Board to allocate a budget of £10,000 to the CEO to seek geotechnical advice.

Following a request from Sue Satchell, I visited St Ann's Road just south of the Foley Terrace junction, with Rich Vale in the morning of Wednesday 1 May 2024, following a report by local residents that the road condition had recently worsened.



The Issue

There is a 10m length by 1.5m wide area of the road that has a significant depression and a cracked surface, see images to right. Notice also the leaning lamp column, which is also affected. The cracks towards the centre of the road look 'fresh' (as they are not filled with debris) and are wider than those near the edge. This suggests recent movement over an expanding area.

Ordinarily this would not be a major problem; given the very light traffic load, the depression could be filled from the top and would probably be sufficient for many years.

However, here the verge is narrow and St Ann's Road is above an approximately 4m high, near vertical, face down to Foley Terrace. Whilst bedrock can be seen in places on the hill face the remainder is faced with Malvern Stone, which does not provide a structural retaining wall.

The most likely causes of the depression are;

1. ground material being washed out leaving voids which work to the surface. – unlikely, as no changes to layout for the past 200 years.
2. The Malvern Stone wall is failing – likely and most obvious, been recent repairs, but unable to assess because of the ivy.
3. a more general hillside issue given the major ground issues on the private access to the 99 steps, (approx. 20m away) – unlikely because of the significant difference in height and lack of issue on Foley Terrace

Given the height of the retained material, any of the possible causes could lead to a catastrophic failure.



At its highest point (adjacent to the lamp post) this area of the road lies some 4m above the adjacent Foley Terrace. There is a near vertical face of Malvern Stone walling, covered by ivy between Foley Terrace and St Ann's Road. The approximate line of the surface of the upper road is marked with a white line.



There are some irregularities in the surface of the Malvern Stone wall, but it is largely covered in ivy. Malvern Stone walls are decorative rather than functional and, in engineering terms, are not classed as retaining walls.

Repairs have been made to the wall relatively recently as evidenced by the mortar colour, lack of vegetation and newish looking clay weep pipes. These repairs are just beyond the area of subsidence but could be related. Much of the wall is covered in ivy so cannot be inspected.



Risk Level

The unpredictable nature of water and ground, together with the current lack of knowledge of the mechanism, means it would be inappropriate to say the likelihood of a collapse was 'low'; it therefore should be 'medium'. Leaving aside any personal injuries, the consequences could be significant — St Ann's Road could become unusable for vehicles, the debris could block Foley Terrace and the time and cost to remove all the debris and install a retaining wall to current standards would be significant. **The risk level should therefore be taken as 'high'.**

This risk should be added to the risk register and the Board informed.

Professional geotechnical advice is likely to be required.

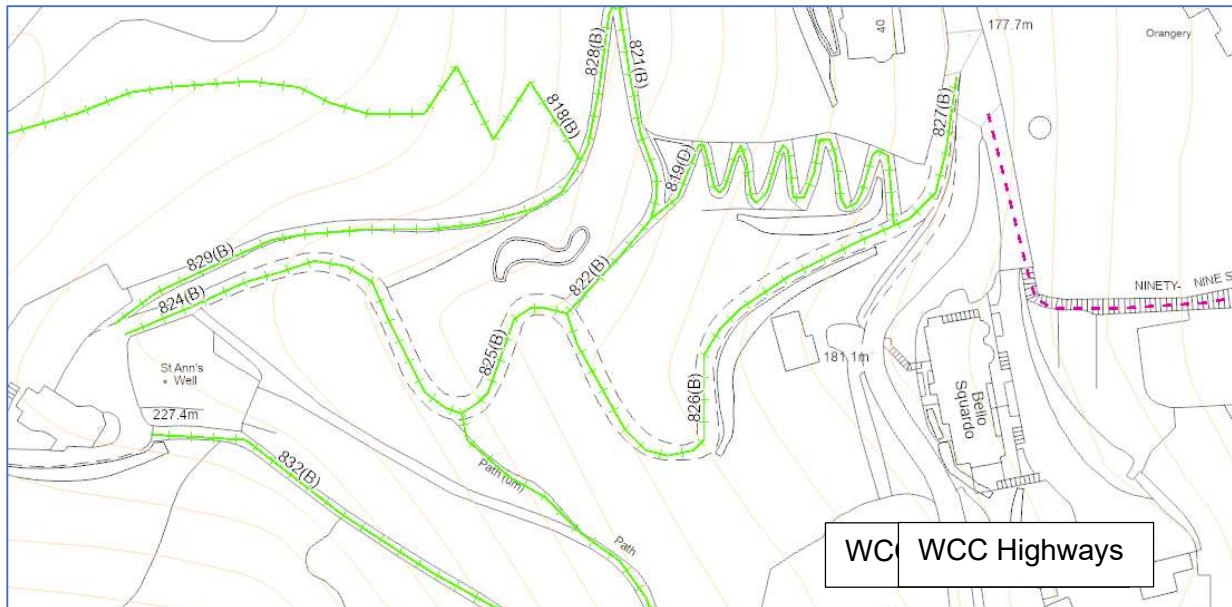
Responsibility

The cause of the issue will have a bearing on who is responsible for the repair.

St Ann's Road was built first, as it starts from the Worcester Road and was for the Well House which was built in 1813 by Lady Emily Foley. However, it was not until 1830 that Edward Foley paid for the creation of Foley Terrace. Consequently, the wall supporting St Ann's Road was built to allow Foley Terrace to be built which makes Worcestershire Highways responsible as Foley Terrace is an adopted road. This could be difficult to prove and impose.

Consequently, it is of significant interest who carried out the identified wall repairs and who trims the ivy.

Although not thought to be relevant in terms of responsibility, it is of interest who maintains the metal palisade fencing, the lamp column and the footpath, (which may be only 'permissive', as its not shown on the definitive rights of way map as they should be informed. At this point St Ann's Road is private, but bridleway ref 827(B) (shown green on the map) passes over the top. See extract from WCC Rights of Way map below, <https://gis.worcestershire.gov.uk/website/Countryside/>



Suggested actions

Immediate actions, (taking a responsible approach)

1. In order to monitor the movement, it is suggested six-inch long 'line pins' are hammered into either side of the road edge to allow distance measurements to be taken across the cracks. Although crude, it is simple and cheap and, with care, should identify movements of say 2mm and above, less than the latest cracks to appear. Photos should also be taken ideally from the same point each time to look for changes in the cracks. This should initially be monitored weekly and after wet periods.
2. Contact the highway authority (Area Engineer?) and explain our concerns about the wall and the possible impact on the public highway.
3. Consider taking geotechnical advice – does MHT or any trustee know of someone that might help initially pro-bono?

Other suggested initial actions

4. Seal the cracks of the settlement area with tar to reduce water ingress and provide a 'kerb' (use instant tarmac?) to direct water down to Foley Terrace rather than running 'over the edge', where it could exacerbate the settlement.
5. Contact Malvern Hills District Council, to see if they own and maintain the lamp column and palisade fencing.
6. Check who paid for the works down to the 99 steps. Endeavour to contact those involved in the settlement near the 99 steps to learn and possibly talk to their geotechnical engineer.

Other Notes

It is not considered appropriate to 'fill' the depression in the immediate future. This is because new tarmac is flexible and porous and may mask any movement and allow water ingress below its surface. Obviously, this will have to be reviewed depending on future movement.

It would seem prudent to gather together the names, contact numbers and addresses of all those with private rights over this length of the road. Also, those with obligations for its maintenance.

Finance, Administration & Resources Committee
Management accounts for the 12 months ended 31st March 2024
20th June 2024

The management accounts for the year are presented for Trustees' information.

Please note that the planning audit work has commenced and these results incorporate most financial adjustments as required for audit purposes but are subject to change by both the Finance Manager and the auditor.

The following pages provide the Balance Sheet, General Fund, Designated Funds and Restricted Funds as well as a new schedule of Notes to support the pertinent numbers, as promised going forward, at the MAR24 board meeting.

Contents

1. Balance Sheet at 31.03.24
2. General Fund Income & Expenditure Account compared to budget, with budget variance
3. Designated Funds Analysis
4. Restricted Funds Analysis
5. Notes to the management accounts

Nicky Gutteridge
Finance and Administration Manager
20th June 2024

Malvern Hills Trust

Balance Sheet as at 31st March 2024

	£	£	NOTES
Fixed Assets			
Heritage assets	1,388,715		
Other land and buildings	210,978		
Improvements to capital assets	36,280		
LM vehicles & eq't	137,039		
Office equipment	7,008		
Investments	<u>1,303,281</u>		B1
		3,083,301	
Current Assets			
Livestock	31,452		
VAT Asset	12,766		
Investments	84,788		
Debtors & accrued income	230,312		
Deposits and Cash	<u>1,238,258</u>		
		1,597,575	
Current Liabilities			
Creditors : Short Term	251,161		B2
Payroll Taxation	13,686		
Wages	7,718		
VAT Liability	<u>0</u>		
		272,565	
Current Assets less Current Liabilities:		1,325,010	
Total Assets less Current Liabilities:		4,408,311	
Long Term Liabilities			
FRS 102 pension liability		612,000	B3
Total Assets less Total Liabilities:		<u><u>3,796,311</u></u>	
Capital & Reserves			
General fund	416,228		
Designated funds	851,829		
Restricted funds	3,140,254		
FRS 102 pension	<u>(612,000)</u>		
		<u><u>3,796,311</u></u>	

Malvern Hills Trust

General fund income and expenditure versus budget for the 12 months ended 31st March 2024

	Actual 12 mnths £	Budget 12 mnths £	Variance £	NOTES
Income				
Levy	663,800	663,800	0	G1
Grants	12,820	27,820	(15,000)	G2
Car park takings	398,720	409,000	(10,280)	G3
Donations	6,499	2,000	4,499	G4
Rents and licences	19,380	18,675	705	
Fairs and circuses	750	1,000	(250)	
Ice cream concessions	2,700	2,500	200	
Easements & wayleaves	14,300	5,500	8,800	G5
AONB contributions	7,465	7,370	95	
Sales of books, leaflets and maps	0	200	(200)	
Admin charges and compensation	308	1,500	(1,192)	
Sundry income	5,893	2,050	3,843	G6
Investment income	23,727	2,000	21,727	G7
Profit on disposal of fixed assets	11,712	7,000	4,712	G8
Total income	1,168,075	1,150,415	17,660	
Land management expenses				
Contract labour	11,122	12,350	1,228	
Drainage	3,329	2,410	(919)	G9
Vehicle and equipment expenses	23,409	26,690	3,281	
Hire of plant and equipment	6,603	10,850	4,247	G10
Tree work	20,705	28,600	7,895	G11
Grass cutting	3,750	5,115	1,365	G11
Purchase of materials and tools	11,914	14,400	2,486	
Protective clothing	4,148	1,870	(2,278)	G12
Field consultancies	4,685	5,390	705	
Conservation volunteers	1,042	1,100	58	
Water testing	200	550	350	
Gardening	3,472	3,300	(172)	
Management plan	50	0	(50)	
Tracks and paths	4,797	10,600	5,803	G11
LM miscellaneous	0	500	500	
Total land management expenses	99,227	123,725	24,498	
Visitor services expenses				
Car park meter expenses	21,026	30,704	9,678	G13
Car park passes	3,120	3,300	180	
Car park repairs	0	3,000	3,000	G14
Wardens' vehicle expenses	9,664	10,670	1,006	
Wardens' uniform and tools	2,927	3,300	373	
Wardens' phones	896	1,320	424	
Wardens' other expenses	170	0	(170)	
Total visitor services expenses	37,802	52,294	14,492	
Communications and public engagement expenses				
Leaflets	410	1,440	1,030	G15
Annual report	431	825	394	
Newsletters	0	200	200	
Campaigns	0	1,000	1,000	
Signs, display and information boards	922	4,000	3,078	
Events programme	0	2,200	2,200	
Exhibitions	1,160	1,500	340	
Other PR expenses	0	500	500	
Fundraising expenses	324	220	(104)	
Communications support and engagement	0	5,000	5,000	
Total communications and public engagement expenses	3,247	16,885	13,638	

Malvern Hills Trust

General fund income and expenditure versus budget for the 12 months ended 31st March 2024

	Actual 12 mnths £	Budget 12 mnths £	Variance £	NOTES
Administration and governance expenses				
Rates	8,195	8,500	305	
Buildings maintenance	5,673	10,000	4,327	
Electricity and gas	14,629	11,240	(3,389)	G16
Telephones	3,422	4,140	718	
Depreciation	35,378	40,300	4,922	G17
Insurance	32,719	36,000	3,281	
Office equipment	5,456	7,460	2,004	
IT	13,020	16,650	3,630	
Website	1,283	1,000	(283)	
Legal and professional fees	40,538	43,355	2,817	
Governance costs	13,936	6,100	(7,836)	G18
Subscriptions	2,005	1,000	(1,005)	
Bank and investment charges	4,160	4,750	590	
Postage	2,324	1,870	(454)	
Stationery, printing and recycling	3,954	4,202	248	
Cleaning	4,351	5,610	1,259	
Travelling expenses	794	4,950	4,156	G19
Miscellaneous exps	3,094	1,980	(1,114)	
Newspaper ads	646	750	104	
Total administration and governance expenses	195,576	209,857	14,281	
Staff costs				
Basic salaries	560,354	539,350	(21,004)	
Employer's NI	47,332	61,800	14,468	
Pension contributions	155,161	157,200	2,039	
Y/E auditor holiday owed provision (movement from y/e 31.3.23)	(6,750)	0	6,750	G20
Group life assurance	3,356	4,000	644	
Training - staff	5,081	7,500	2,420	
Recruitment	2,091	2,000	(91)	
Total staff costs	766,624	771,850	5,226	
Surplus for the period before transfers	65,599	(24,196)	89,795	
Transfers from other funds	21,188	15,132	6,056	
Transfers to other funds	(107,146)	(17,890)	(89,256)	G21
Surplus for the period after transfers	(20,360)	(26,954)	6,594	
General fund brought forward	436,588	436,588	0	
General fund carried forward	416,228	409,634	6,594	

Malvern Hills Trust - Designated Funds Income and Expenditure for the 12 months ended 31st March 2024

NOTES

Category	N/C	D1		D2		D3		D4			D5			Total					
		Unrestricted Gifts	Modernisatio n of Acts costs	Dog campaign des fund	Fundraising	Election exps des fund	Tree disease des fund	Ash Dieback fund	Boundary Comm advice fund	Car park repair fund	FAM replacement fund	CS North & Central	CS Southern		HLS Chase End	HLS Old Hills	Grazing reserve	Designated Fixed Assets	Basic Payment Scheme
01 - Income	4015 - Other grants	1,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,500
	4020 - Stewardship annual grants	0	0	0	0	0	0	0	0	0	0	78,982	18,752	3,537	3,942	0	0	0	105,213
	4030 - Stewardship other grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,639	3,639
	4200 - Donations	113	0	0	0	0	0	10	0	0	0	0	0	0	0	0	0	0	123
	4250 - Legacies	7,075	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,075
	4310 - Land rentals	0	0	0	0	0	0	0	0	0	0	5,586	750	0	0	0	0	0	6,336
	4700 - Profit on disposal of fixed assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
01 - Income Total		8,688	0	0	0	0	0	10	0	0	0	84,568	19,502	3,537	3,942	0	0	3,639	123,887
02 - Land management expenses	5000 - Contract labour	0	0	0	0	0	0	0	0	0	0	(2,544)	(536)	0	(480)	0	0	0	(3,560)
	5035 - Treework	0	0	0	0	0	0	(38,614)	0	0	0	(800)	0	0	0	0	0	0	(39,414)
	5040 - Grass cutting	0	0	0	0	0	0	0	0	0	0	(3,000)	0	0	(700)	0	0	0	(3,700)
	5045 - Purchase of materials	(133)	0	0	0	0	0	0	0	0	0	(1,305)	0	0	0	0	0	0	(1,438)
	5100 - Graziers	0	0	0	0	0	0	0	0	0	0	(71,195)	(14,500)	(2,740)	(930)	0	0	0	(89,365)
	5110 - Stewardship schemes direct costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
02 - Land management expenses total		(133)	0	0	0	0	0	(38,614)	0	0	0	(78,844)	(15,036)	(2,740)	(2,110)	0	0	0	(137,476)
03 - Car parks, wardens and PR	5240 - Car park repairs	0	0	0	0	0	0	0	0	(731)	0	0	0	0	0	0	0	0	(731)
	5435 - Interpretation boards	(2,272)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(2,272)
03 - Car parks, wardens and PR total		(2,272)	0	0	0	0	0	0	0	(731)	0	0	0	0	0	0	0	0	(3,003)
04 - Administration costs	6075 - Legal fees	0	(15,461)	0	0	(620)	0	0	(6,327)	0	(1,116)	0	0	0	0	0	0	0	(23,524)
	6085 - Audit fee	0	0	0	0	0	0	0	0	0	(2,500)	0	0	0	0	0	0	0	(2,500)
	6100 - Other professional fees	0	0	0	0	(24,032)	0	0	0	0	0	0	0	0	0	0	0	0	(24,032)
	6210 - Room hire	0	0	0	0	0	0	0	0	0	(315)	0	0	0	0	0	0	0	(315)
	8015 - Depreciation - land management equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(176)	0	(176)
04 - Administration costs Total		0	(15,461)	0	0	(24,652)	0	0	(6,327)	0	(3,931)	0	0	0	0	0	(176)	0	(50,547)
10 - Salaries	7010 - Basic salaries - office based staff	0	(2,583)	0	0	(1,755)	0	0	0	0	(19,725)	0	0	0	0	0	0	0	(24,063)
	7030 - Employer's NI - office based staff	0	(252)	0	0	(194)	0	0	0	0	(1,950)	0	0	0	0	0	0	0	(2,395)
	7050 - Pension contributions - office based staff	0	(579)	0	0	(129)	0	0	0	0	(1,732)	0	0	0	0	0	0	0	(2,439)
	7075 - Recruitment	0	0	0	0	0	0	0	0	0	(12,824)	0	0	0	0	0	0	0	(12,824)
10 - Salaries Total		0	(3,413)	0	0	(2,078)	0	0	0	0	(36,231)	0	0	0	0	0	0	0	(41,722)
Surplus/(deficit) for the period before transfers		6,283	(18,874)	0	0	(26,730)	0	(38,604)	(6,327)	(731)	(40,162)	5,724	4,467	797	1,832	0	(176)	3,639	(108,860)
	4600 - Transfers from other funds	0	8,700	0	0	5,000	0	0	10,000	0	27,662	0	0	0	0	0	12,704	0	64,066
	8100 - Transfers to other funds	0	0	0	0	0	0	0	0	0	0	0	0	(409)	(655)	0	0	0	(1,064)
Surplus/(deficit) for the period after transfers		6,283	(10,174)	0	0	(21,730)	0	(38,604)	3,673	(731)	(12,500)	5,724	4,467	389	1,177	0	12,528	3,639	(45,858)
Designated funds brought forward		383,102	34,899	3,501	10,000	17,207	35,865	129,473	8,603	5,100	12,500	132,573	17,991	1,174	21,068	60,060	0	24,571	897,687
Designated funds carried forward		389,385	24,725	3,501	10,000	(4,523)	35,865	90,869	12,276	4,369	0	138,297	22,458	1,563	22,245	60,060	12,528	28,211	851,829

Malvern Hills Trust - Restricted Funds Income and Expenditure for the 12 months ended 31st March 2024

NOTES

		R1					R2					R3					R3				
Category	N/C	Capital Outlay d'chgd £	Parliamentary fund £	Lands Maintenance fund £	Land Purchase (1992) fund £	Land Purchase 2 fund £	Restricted Gift fund £	Picnic bench donations £	NIM book £	Tree donation scheme £	Boost4biodiv ersity £	Urban Tree Challenge fund £	Donkey shed £	Access for All £	FIPL All Saints Wood £	FIPL Foothill Connections £	FIPL Evendine £	FIPL Upgrading tools £	SDF fund £	Total £	
01 - Income	4015 - Other grants	0	0	0	0	0	0	0	0	0	0	0	0	7,646	3,283	0	11,812	16,295	0	39,036	
	4200 - Donations	0	0	0	0	0	4,546	0	0	0	0	0	0	0	0	0	0	0	0	4,546	
	4500 - Income from investment portfolio	0	14,399	5,644	8,826	4,829	0	0	0	0	0	0	0	0	0	0	0	0	0	33,698	
	4510 - Bank interest receivable	0	0	0	3,518	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,518	
01 - Income Total		0	14,399	5,644	12,344	4,829	0	4,546	0	0	0	0	0	7,646	3,283	0	11,812	16,295	0	80,797	
02 - Land management expenses	5000 - Contract labour	0	0	0	0	0	(3,470)	0	0	0	0	0	0	(1,530)	(1,384)	0	(11,812)	0	0	(18,196)	
	5020 - LM equipment purchases less than £500	0	0	0	0	0	0	0	0	0	0	0	0	(1,476)	0	0	0	0	0	(1,476)	
	5025 - Hire of plant and equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	5035 - Treework	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	5036 - Tree planting	0	0	0	0	0	0	0	0	0	(64)	0	0	0	0	0	0	0	0	(64)	
	5046 - Purchase of tools under £500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(3,592)	0	(3,592)	
	5045 - Purchase of materials	0	0	0	0	0	(17)	(1,742)	0	(140)	0	0	0	0	(1,824)	0	0	0	0	(3,723)	
2 - Land management total		0	0	0	0	0	(3,487)	(1,742)	0	(140)	0	(64)	0	(3,006)	(3,208)	0	(11,812)	(3,592)	0	(27,050)	
04 - Administration costs	6100 - Other professional fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	6115 - Investment manager's charges	0	(2,696)	(997)	(2,220)	(1,160)	0	0	0	0	0	0	0	0	0	0	0	0	0	(7,073)	
	6116 - Flagstone Charges	0	0	0	(277)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(277)	
	8000 - Depreciation - other land and buildings	(2,775)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(2,775)	
	8005 - Depreciation - impt's to land and buildings	(14,054)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(14,054)	
	8110 - Investment gains or losses	0	30,667	11,937	34,047	11,681	0	0	0	0	0	0	0	0	0	0	0	0	0	88,332	
04 - Administration costs Total		(16,829)	27,971	10,940	31,550	10,521	0	0	0	0	0	0	0	0	0	0	0	0	0	64,153	
Surplus/(deficit) for the period before transfers and investment gains		(16,829)	42,370	16,584	43,894	15,350	(3,487)	2,804	(140)	0	(64)	0	4,640	75	0	0	12,704	0	0	117,900	
	8110 - Investment gains or losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	4600 - Transfers from other funds	48,046	0	0	0	0	452	0	0	0	0	7,787	0	0	0	0	0	0	0	56,284	
	8100 - Transfers to other funds	0	(14,399)	(5,644)	0	0	0	0	0	0	0	0	0	(81)	(500)	0	(12,704)	0	0	(33,328)	
Surplus/(deficit) for the period after transfers		31,217	27,971	10,940	43,894	15,350	(3,036)	2,804	(140)	0	(64)	7,787	4,640	(6)	(500)	0	0	0	0	140,857	
Restricted funds brought forward		1,604,757	485,392	183,022	513,881	200,108	8,166	4,604	2,901	1,044	1,389	2,737	(7,787)	(1,776)	6	500	0	0	453	2,999,397	
Restricted funds carried forward		1,635,974	513,363	193,962	557,775	215,458	5,130	7,408	2,901	904	1,389	2,673	(0)	2,864	(0)	0	0	0	453	3,140,254	

Malvern Hills Trust - Notes to the Management Accounts MAR24

General Fund

- G 1 Levy is set before budget is set so this should never deviate from budget. Separate notes on levy levels were also reported via Paper in JAN24
- G 2 Grant takings always somewhat dependent on the time resource to make applications, this is general fund specifically. There are numerous designated and restricted (DF / RF) grants also
- G 3 Carpark takings has been reduced by c. £16K to recognise car park income pass income prorata across the year rather than when received that was the case in the past. This was on audit advice in 2022/23. As a result £16,934 income has been deferred to 2024/25 where the same exercise did not happen last year. Without this adjustment, budgeted income from carparks would have been met
- G 4 General Fund (GF) donations are generally all small, the largest being £500 each
- G 5 Difficult to budget these income streams, but we have exceeded budget quite notably which is good news
- G 6 Main components are: admin fees for posting of car park tickets, some filming fees, admin fee for Castlemorton delivery group
- G 7 This is the interest earned on the Flagstone unrestricted funds. Budget was low as this investment fund was relatively new when budgets were set, the expected return was less easy to anticipate
- G 8 As equipemt is depreciated quite quickly, profit on disposal is pure profit as the assets were in the books at NIL when sold. This included 2 vehicles, a trailer and tipper, a rotavator and flail
- G 9 It has been an exceptionally wet 12 months overall, meaning greater drainage related costs
- G 10 Equipment hire costs go alongside groundwork, treework etc, all of which are reduced due to the poor weather, this too is therefore under budget
- G 11 Spend has been under budget due to the very wet weather throughout the year but most noatably in the final quarter of 2023/24. There will be a desiganted small pot set aside as at 1st April for this additional work that has carried over into 2024/25
- G 12 Costs have been greater due to a good number of warden/field staff changes during the financial year
- G 13 The budget for 2023/24 included 2 new meters at Old Hills carparks which for various reasons did not happen. As a result the 23/24 budget was a little high for the year
- G 14 The expectation is to carry out this work in the early part of 2024/25, again weather and resources have delayed spending
- G 15 A general and notable underspend across PR due to the lack of resources and time available to embark on these projects because of staff illness
- G 16 A nationwide problem of rising fuel costs and most likely underbudgeted for 2023/24
- G 17 No provsion needed for the capital costs budgeted that were not actually expensed
- G 18 Various legal/training/room hire costs, some unbudgeted surrounding trustee training particularly due to newly appointed trustees taking up post during the year
- G 19 Budget was set too high, the exact details are unclear due to changed finance staff

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- G 20 Exclusively an annual statutory account adjustment to make consideration for unpaid holiday at the financial year end
- G 21 Higher than budget as an audit adjustment has not yet been made moving £48.5k from here to the land purchase restricted fund in respect of heritage assets purchased in the year

Designated Funds

- D 1 This is the designated pot set aside regarding the work towards the new bill. From 1st April 2024 2 separate designated funds will run; one will be for the very specific legal costs as prescribed in the S74 order granted which must not exceed £306k. The second fund captures all other costs associated with the bill preparation. Both are being carefully monitored against budget and in respect of total actual spend

Bill spend year to date 1.4.23 - 31.3.24:

Advice SP (8.8.23-31.12.23)	£ 4,739 *
Advice SP JAN24 - MAR24	10,043
Advice re nomination committees VWV	124 **
Charity commission letter review VWV	152 **
S105 order review VWV	403 **
Staff costs to 31.3.24 (salary proportion, NI and pension)	3,413
	<u>18,874</u>

* Please note that £440 will be moved from here to general fund as part of the audit, but management accounts not yet adjusted - this will reduce to £4,299

** Please note that all 3 of these will be removed to general fund as part of the audit, but management accounts not yet adjusted

To be clear, there will be a series of costs, to date c. £5,000 within general fund that are not specifically related to the Bill but are part of the journey and as such are not included in this fund. These general fund costs relate to the preparation of the loan agreement and the Section 105 Order application to the Charity Commission.

I will provide a monthly Bill spend summary going forward including a total spend to date analysis, split out between the specific legal costs that must not exceed £306k, and other Bill related costs

- D 2 £5,000 is budgeted annually for the 4 yearly election which occurred in 2023/24. The costs exceeded budget and this balance will be covered off by a transfer from general fund as at 31.3.24 or 01.04.24 post audit
- D 3 The costs attached to this risk have not been as extensive as first anticipated but there is no proposal to release the fund at this time since it is an ongoing costly risk
- D 4 FAM and CEO replacement is now complete, costs exceeded budget mostly due to the FAM role appointing multiple times and the costs of handover happened twice during 2023/24
- D 5 Newly created designated funds to hold restricted and asset purchase costs. On spending the fund, the restriction is removed but there is an expectation by the trust to use the assets within the trust for at least their useful life and this fund controls that process

Restricted Funds

- R 1 This represents the book value of all land and land/building improvement where the cost was funded from the Land Purchase or Parliamentary funds. These assets are inalienable (they can only be sold in very limited circumstances) and any proceeds must be used for the purchase of land
- R 2 The donkey shed project is now fully complete, the transfer from general fund was to cover the overspend on this project
- R 3 FIPL projects completed during the financial year and fund balances fully cleared

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Balance Sheet

B 1 Annual investment portfolio revaluation has now been carried out, subject to audit

Liabilities includes a new annual provision income deferred in respect of carpark pass income. On the advice of auditors in 2022/23 we will make an annula adjustment such that car park pass income is spread across the months of the year according to expiry rather than recognising the income when it is received

B 2

The annual adjustment for the LGPS Pension liability (defined benefit scheme) has now been adjusted from £737k liability to £612k liability

B 3