



# Eastington Community Land Trust Ltd. (ECLT)

## Second Special General Meeting

Thursday 4<sup>th</sup> January 2018

at 7.00 pm in Village Hall

### MINUTES

**1. Attendance:** Tom Morrison (chair) (TM), Lynne Farnden (Treasurer) (LF), Tom Low (Secretary) (TL), Paul Mannings (PM), Sharon Wells (SW), Alan Brasier (AB), Cllr John Jones (JJ), Cllr Mark Chatterley, Ann Pitcher, Edwin Davies, Mark Jones, John Morris, Nigel Farnden

**Apologies for Absence:** Karl Hine (Aster) (KH), Martin Elliot (ME), Alison Loverage (AL), Muriel Bullock (vice chair) (MB)

**Declarations of Interest:** TM, LF and SW declared a non-pecuniary interest in Item 3

**Questions from the members to the Board:** there were none but TM invited questions throughout.

#### **2. Resolution to amend Rule F1**

TM described the reason for the change of wording in the rule, which was to allow ECLT the ability to file unaudited accounts with the FCA for the financial year 2016/2017 (and thus appoint an Independent Examiner rather than enter into a full audit). The – option to file unaudited accounts would be voted upon each year in accordance with legislation and according to circumstances. The vote was carried in favour, unanimously. Secretary to apply to the FCA to register the revised Rule and to re-call the AGM once registration has been effected.

**ACTION: TL**

#### **3. Appointment of a third party to carry out an Independent Examination of the accounts**

TL reported the process by which he and TM had talked to or interviewed a variety of auditors. PM asked why Accountant A had no VAT and TL said she was operating as a sole trader. Nigel Farnden asked how experienced Accountant A was and TL and TM (after the vote) attested that she had been an experienced member of Hazlewoods, known to all as a major local firm. John Morris suggested it was better to employ an accountant who was not involved with the Parish Council, like Accountant B. PM proposed and AB seconded the choice of the lower bid, which was Accountant A. The vote was unanimous. Secretary to notify and engage.

**ACTION: TL**

#### **4. Approval of minutes of AGM and also Board Meeting of 7<sup>th</sup> December 2017**

The members and Chair approved both sets of minutes which were therefore signed by TM.

Signed by \_\_\_\_\_, Chair.....18<sup>h</sup> January 2018

## 5. Financial Report

LF presented three cheques for signature which were unanimously approved. She declared the bank balance after these cheques to be £6,904.51. There was a pending income of £2,448 due from Stroud DC who had approved a set of claims submitted before Christmas.

## 6. Application for second tranche of £20,000 from Locality

LF and TL had prepared a claim based on the cheque for architecture passed under item 5 above. *(Note: this was successful and paid 10.1.2018).*

PM took the opportunity to check the overall balance of grants gained versus expected expenditure. An ad-hoc figure of about £10,000 headroom was broadly agreed. *(Note: TL will present a formal calculation before the next meeting)*

## 7. Progress on technical matters

TL reported that essentially, all main technical hurdles had been crossed. The architect was now loading the agreed reports onto the Stroud DC planning system, which had a partial-loading-and-return-later feature. The decision as to when to press the “submit” button would lie with ECLT.

Responding to PM’s query, TL agreed that there were engineering details on drainage which were now being dealt with by Aster’s builder. These were not major and the builder’s engineers were proceeding on discussions with Severn Trent which would facilitate not only planning permission but the build phase itself.

## 8. Progress on Legal Matters

### 8.1 Report on Title – Letter of Reliance

TM was disappointed with the level of delay and (to some extent) lack of quality in the documentation produced by Aster’s solicitors. A letter of reliance had been produced rather than address the Report to ECLT (in addition to Aster). The letter of reliance contained, inter alia, numerous mistakes/omissions and the inability for ECLT to rely upon the statements made in the Report on Title.

TM’s mark-up of the draft letter of reliance was accordingly extensive and returned to KH within 24 hours. *(Note - A further draft has since been provided by Aster’s solicitors which still contains inadequate/uncommercial wording in respect of the level of reliance that can be placed on the Report – TM has communicated this fact to Aster and awaits a third draft of the Report).*

**ACTION: KH**

### 8.2 Conditional Contract and 125-year Lease

A draft of both documents had been received before Christmas and TM had produced a mark-up prior to he and TL having a principal-to-principal conference call with KH on 20<sup>th</sup> December. TM made it clear to KH that both documents were not fit for purpose. The fundamental error was that Aster’s solicitors had ignored ECLT’s status as the party responsible for the Planning Application. *(Note - ECLT’s solicitors have subsequently agreed with TM’s analysis and communicated the same to Aster’s solicitors).*

TM and TL emphasised that this fundamental error had the unfortunate effect of expecting too much effort from the vendor’s solicitors to assist with the planning process. KH appeared to acknowledge these weaknesses. TM forwarded the marked-up documents to ECLT’s solicitors before Christmas and these were forwarded to Aster’s solicitors during w/c 8 January 2018.

Signed by \_\_\_\_\_, Chair.....18<sup>h</sup> January 2018

**ACTION: TM then KH**

With all technical matters now resolved, there is a concern that any further failure to produce legal documentation that is fit for purpose will adversely affect ECLT's ability to submit Planning Application before grant money runs out. Secretary to convey to KH that after £70,000 of public expenditure, both Stroud DC and DCLG would be asking questions.

**ACTION: TL**

**9. Date of next meeting**

The next meetings were agreed as 18<sup>th</sup> January, 1<sup>st</sup> and 15<sup>th</sup> of February and 1<sup>st</sup> and 15<sup>th</sup> of March, with 29<sup>th</sup> March held as a fall-back. MB to book

**ACTION: MB**

LF asked that the quarterly internal audit be undertaken prior to the next meeting and SW and PM agreed to perform this

**ACTION: LF, SW, PM**

TL asked that all Board Members scan the website which he and Ed Davies have been updating. TM stressed that this was the public face of ECLT and asked that comments by e-mail before the next meeting would be appreciated

**ACTION: all board members**

**MEETING CLOSED at 7.50pm**

**Tom Low, Secretary**

**January 2018**

**CIRCULATION**

**Board of Trustees**

**Webmaster:** Ed Davies

**General Members attending**

**Aster Group** Karl Hine (KH)

**Parish Council** Cllr Mark Chatterley

**GLOSSARY**

FCA Financial Conduct Authority, our regulator

GCC Gloucestershire County Council

HMRC Inland Revenue

SDC Stroud District Council

S 106 Section 106 Legal Agreement pursuant to Planning Permission, including Local Connection

Signed by \_\_\_\_\_, Chair.....18<sup>h</sup> January 2018