

Heart of the Village Steering Team

Meeting Monday 4 May 2020 7:30PM

Virtual via Zoom

Present: Graham Gleed, Sara Sollis, David House, John Davison, Chris Reah, Nick Sloan,
Heather Venn, Tim Slattery, David Crabbe, Mike Blair
Public: 10

The meeting opened at 7:30pm

The chair gave guidance on how the meeting will be run asking attendees to mute microphones before we start. Chair thanked everyone for joining and explained that he will invite non-committee members for comments at the start of the meeting and then we will get on with the business of the meeting and will stop the meeting occasionally to ask for comments. For all but particularly committee members to hold up your hand to speak rather using the facility included.

Chair's Opening Remarks

Apologies for the short notice, there was a webinar held last week where guidance was given to societies such as ours on how to manage going forward in the current circumstances with things like annual members meetings. It was very informative, it gave us a way forward and given that we are still scheduled to have a meeting on 1 June 2020, our first annual members meeting, this foreshortened the timeline to an inappropriate level, but we felt it was more important to go ahead and have this meeting rather than risk pushing the thing backwards. The other condition we have is one of our loans is dependent on it being accepted by an elected management committee. In the light of all the discussion this may be important or not important we will see. Despite all the things that have been said there has never been the intention to take votes on things of great significance as things stand. I feel that the agenda was misinterpreted for which I apologise probably for not being clearer but at the same time a couple of simple phone calls would have sorted out any misunderstandings rather than the tsunami of emails that have occurred around what is essentially something that will not happen at this meeting. Again my apologies if I wasn't clearer that there was never any intent to come to radical decisions in this meeting, it's not appropriate for a non elected committee hence the quicker we can get to an elected committee the better we'll all be and the more comfortable we will be with the democratic process.

Members comments:

Dave Evans—It would seem from the rules that the functions of the AMM could all be done by email because there's nothing in that meeting that needs any discussion or voting on, so the functions could be done by email/written information and then the possibility of starting a meeting before the date that we have to have it and then adjourning it which again is ok under the rules. Within that when the meeting is scheduled one of the things the committee has to do is to advise the members of the membership strategy. I wondering who was going to be doing that and am happy to support if required?

Chair asked for any non-management members for any further comments or questions – none were forthcoming.

Apologies

Hannah Puddy

Sara Sollis will be taking the minutes, the video conference is being recorded and will be shared.

Co-option of new interim committee member.

Graham Gleed proposed David Crabbe to join the interim committee, David has volunteered to do the book-keeping and the accounts and is doing an amazing job.

Seconded - Nick Sloan

Unanimous vote to co-opt DC to join the committee.

Agenda Items

1. First Annual Members Meeting

1. Background and Status vs Current Environment

Most of the business of the AMM can be done without the need for face to face. Functions of the AMM will include:

- Receiving from the management committee the annual accounts from the previous financial year. These will be part of the treasurers and chairman's annual report. We have filed annual accounts for the last financial year which ended on 31 January 2020. These will be audited and can be distributed to members electronically.
- Report on the society's performance for the previous financial year
- Plans for the current year and the next year
- Receiving from the management committee a report on the state of membership and the membership strategy will again be part of the treasurer/chairman's report. Normal practice is to include a breakdown by:
 - Geography
 - Level of investment
 - Various statistical measures

This highlights the membership, again this is a report that can be distributed to members electronically and the Chair is happy to work with or delegate to anyone

- Appointing a financial auditor – we have appointed a financial auditor on the recommendation of Sophie Harris, Sarah Twist from AC Mole and this was proposed and minuted in a previous meeting. This will not require of a face to face meeting
- Declaring the results of the election of those that can serve on the management committee.

2. How to elect a Management Committee

The proposal for the election has been circulated to committee members. Normally we would hold these elections during a public meeting and a vote taken but we are resigned to a paper election. The timetable for that if we are going to have an early June election needs to start very soon including sending out an invitation to stand on the 8 May which is 4 days' time. A nomination form has been drawn up and has been circulated, this will not be the final version as it will need to be able to be completed online.

A discussion was held on the number of people on the committee as there was some confusion. After discussion it was agreed that the election would be held for 7 committee members with the potential for an additional (1/4) of co-opted members.

We could make it an election for 12 but it seems that there are good reasons for keeping it more streamlined than that but that's probably the single most important question we need to agree on. This fits with our rules.

Discussion was held as to whether there is really a need to have nominations supported by a proposer and seconder.

The chair asked if we should accept the that members need to be proposed and seconded by other members so that we have a robust and rigorous process. It's important to note that this committee is going to have to make significant decisions along with the main committee there will be sub-committees who will be doing a lot of the work, the main committee will mainly focus on the strategy of the organisation.

A proposal was made to support the election process put forward.

Proposed by Graham Gleed

Seconded by Heather Venn

Unanimous vote in favour to accept the election process put forward.

2. The Royal Oak Going Forward RO Going Forward

1. Current Situation

In the current circumstances the only certainty we have is the uncertainty, no decision can be taken. It is an item for the next elected management committee. Across the spectrum of the membership including the management committee there is a complete rainbow of views from we should do it now if we get in there early we can get it set up to the other end of the spectrum is that we shouldn't do it until there is a clearer view on the situation and a valuation is sought on the property. There are a whole range of options including postponing it, we have sought advice from the organisation who carried out the original valuation. M D Hughes asking if they would do a valuation and they said no, quoting the RICS who said don't do it because of uncertainty and any agreements reach as of 3 March will still hold. The safest thing to say is that we shouldn't make any decisions, there are still things to be researched and a lot of unknowns and until we a clearer view of what the future holds caution is probably the watch word.

Question from the management team – what is the exact position with the owners? The informed the committee that he isn't position to say. We need to be sensitive to their needs as well.

Question from the management team – how do we stand with two the grants that we've been awarded, have we looked into what happens if we delay etc, is there a point where we lose that money? As far as we can tell no because the underlying principal is that they want businesses such as ours to succeed and they are not in the business of cutting off viable opportunities if they can possibly avoid it. We have actually signed contracts on the loans but there doesn't seem to be a drop dead date on them. So at the moment delaying is a penalty fee option. Horizon (mortgage holders on the Royal Oak) have indicated that they aren't pressing for a conclusion.

The group agreed that we will publish more information on the social value benefits that could arise from a community pub.

A discussion was held and it was agreed that this is a long term project and is important to the village. The cost of the Royal Oak is a currently being discussed and we would be moot to ignore this conversation.

Tom Stobie – Shareholders have to be kept happy but what happens if they start asking for their money back? We have to keep our shareholders happy and we have to be seen to be delivering value for money. It's worth emphasising but not the best news for anybody but when you signed up to be a shareholder you can only withdraw your money after three years. We recognise the communications we have received around assuring value, we will continue to gather information, but the ball will be firmly in the court of the elected committee.

3. Finance

1. Shop Operations Update

The treasurer gave us an update on our finances from 1 April to 2 May. SIAB has been performing very well in this difficult time making a gross profit of over £4000. A lot of sales of alcohol, cigarettes and newspapers. Costs of direct wages is higher than anticipated a result of what we have had put in place to ensure safe operation of the shop. Operating cashflow £1200. Some of the costs are one of costs that we won't have to pay again in the immediate future. As and when volunteers are able to return we will see direct wages costs reduce. Currently suppliers are being paid as soon as we have their invoices but some do offer payment terms.

The committee acknowledged the hard work of Ian, Jo and Carolyn and David on the accounts.

A discussion was held about volunteers returning and further discussions will need to take place, there is some back-office admin that volunteers could do but volunteers health and safety is paramount and we also need to ensure that we are getting maximum value out of the paid staff.

Ian is preparing a short summary review of his observations during the first month of trading including where we are now and looking forward.

John Davison would like to share his congratulations to Ian, Jo and Carolyn and all concerned on a fantastic job. The rest of the committee concurred.

A shop committee meeting is being held on Tuesday 5 May.

2. Final Financial Package

For information only:

We have accepted the formal offers from the Plunkett Foundation and Somerset Community Foundation. The interest rate on the loans has been reduced following the reduction in the bank rate. We have received a cheque of £20k grant from the Fairfield Trust. The final part of the jigsaw is a choice to be made which won't be discussed at this meeting between further financing from Triodos or Co-Operative and Community finance, both are offering to give us the finance to top us up to where we want to be in the business plan. Under FCA rules we are able to use low interest finance to pay off high interest finance and pay off loans early. This is a discussion that needs to be had and we will make a recommendation to the committee at the next meeting.

This applies when we are in a position to do so having purchased the pub – we need to be thinking about the groundwork that needs to be laid to be ready to recruit a landlord. We don't want a pub with no customers equally we don't customers who want to use the pub without a landlord in place.

4. Planning Permission for Change of Use RO

Planning permission for change of use has been submitted, the application has been submitted via the PC which gives us a 50% discount on the cost. This will be discussed at the PC meeting on 11 May 2020.

5. Press and Communications

Our latest press release is now circulating across England, it's been well received and is a positive news story. Contact has been received from national publications including Rural Bulletin and they are very keen on the story and want to use it to encourage other rural communities who are struggling. The purpose of the press releases is to promote the work of HOTV in a positive manner and at the same time maybe getting a bit of money. ITV want to come back when we have purchased the pub and we are up and running.

6. Next Meeting

The next meeting of the committee will take place on Monday 1 June 2020. The new management committee will meet for the first time on Monday 15 June 2020.

7. Any additional comments or questions

Question – how will people including those new to the area make their case in the election?

Response - everyone gets to promote themselves in 100 words on the form.

Question – Wasn't the plan never to be in competition with the Rose & Crown and the Rose & Crown is still trading?

Response – The Business Plan made the assumption that the Rose and Crown would continue to operate and as such estimates of revenue for the Royal oak were conservative versus the potential described in the business survey.

The meeting was closed at 9:20pm