

Kennett Community Land Trust



Annual General Meeting - 5th September 2023

Location: Kentford and Kennett Village Hall:

The meeting was opened at 1904 by the chairman who welcomed the 19 persons present to the KCLT Annual General Meeting and thanked everyone for their attendance.

The meeting Agenda had been circulated to all members prior to the meeting.

Item 1.

Annual Report

The Chair presented an overview of the Annual Report and advised that a copy would be sent to every member with the minutes.

The Trustee Board has continued to work hard on behalf its CLT members and the wider community. The Board has liaised closely with ECDC, CLT East and the developer to ensure that we maximise Local Authority and Developer support for our aims and objectives. Our main commitments over the past year have been focused on;

- Contract negotiations on the individual sale agreements with Bellway for our 30 homes, 4 x SB Plots, the CLT Office, the Allotments, the Healthcare facility land in the Village Centre, and the Public Open Space. Because the negotiations have been protracted, Solicitor's and our Legal adviser's fees have risen so we needed to apply for a grant from the ECDC CLT fund to cover these. The most challenging of these contracts was the Public Open Space negotiation which has now been concluded to our satisfaction. It allows KCLT to take a commuted sum from the developer to keep the Management Fees on the new development at a reasonably low level initially and they will rise with inflation annually.
- Completion of the Reserved Matters Application resulting in detailed Planning Permission being issued in March this year for Phase 1 consisting of 324 dwellings of which 30 will be CLT homes, the Perimeter Road, Village Green, CLT Office, the Allotments and a number of SB plots. On a separate application, the New School has also received Planning Permission for 210 students plus 60 pre-school children.
- On the application to become a Registered Provider, this was cancelled by the Regulator for Social Housing because it had been on pause for many months awaiting the conclusion of the CLT Homes Sale Contract which failed to be completed within their allotted timescale. That means that the Trust will need to reapply later this year. Because Trust housing is Affordable Housing, there is no necessity to become an RP but the Trustees felt that it would provide us with best practice for our tenants but if we don't achieve it, it won't matter.

- Developing a new financial forecast model because the one used by many CLTs called PAMWIN appeared to have a number of glitches within it. We have now about to obtain a bespoke model for Kennett CLT which hopefully will provide more confidence to our mortgage provider when we apply for loans early next year.
- Infrastructure works started on site in June. Bellway organized a well-attended “Meet the Construction Team” Event in early July. There was also a “Spades in the Ground” PR event the same week with our MP, Lucy Frazer, and Leader of the Council in attendance together with the Parish Council and KCLT. This was followed by a Press Release on 17 July 23.
- Finally, the Trust has 171 CLT Members. There were 2 new members and 3 of our members passed away this year.
- The Chair closed by stressing that we desperately need more Trustees and if any of you could offer some of your time, we would love to have the opportunity of your wisdom.

Item 2.

The Treasurer presented the Financial Accounts as follows:

Balance brought forward was £52,431.56

Income: £22,426.00

Expenditure: £67,590.46

Balance in the bank: £7255.10

Petty Cash: £12.03

The total balance at the end of the period was £7267.13

A detailed copy of the financial accounts is attached as an appendix.

Item 3.

The Secretary advised that there was a legal requirement for the Trust, as a registered charity, to complete a return to The Financial Conduct Authority. A section of the return calls for audited accounts to be included but it was possible to dis-apply this requirement as long as certain conditions applied. The Trust’s financial status fell within the required parameters but a membership vote was required to dis-apply formal professional auditing for the current financial period. This vote was approved by the membership during the financial period at the previous AGM.

As a vote to dis-apply the auditory requirement expires annually another vote to dis-apply the auditory requirement for the 2023-2024 financial period was now necessary.

It was proposed to dis-apply formal auditing for this financial period and confirmed by a unanimous vote.

It was proposed to re-appoint FFG as KCLT accountants for 2023-2024 and confirmed by a unanimous vote.

Item 4.

The following Trustees were due to retire from the Trustee Board after the AGM and all were prepared to stand for re-election i.a.w. Rule C 20.3

- Robin Swanson
- Frank Danks
- Paul Swanson
- Lynne McCallum
- Tim Foddy

All five were re-elected by unanimous vote.

Item 5.

Rules Change – D7.4, D12 and C17

The Secretary (FD) advised the meeting that an issue has been identified which has the potential to impact future governance and management of the Trust. Kennett Community Land Trust adopted the model rules provided by the NCLTN. The issue centred around Rules D7.4 and D7.12 which refer to re-election of trustees after three fixed terms of three years in the elected role. The rule states that trustees in this position have to stand down for a full year before being put forward for re-election.

“Any Board Member retiring under Rule D7.4 having completed nine years continuous service on either the board of the CLT and/or the board of a group member shall not be legible for re-election until the next following AGM or, if later, for at least twelve months after completing such service”

5 elected trustees are due to stand down following nine years continuous service at the same time, in 2026, which will leave the Trust without a quorate board at a time when the expertise and experience of the board and officers will be vital as the development transits from phase 1 to phase 2. This transition will necessitate considerable trustee input. Recruitment of additional trustees before then would solve the issue but based on previous requests to the membership this is extremely unlikely.

Removal of Rules D7.4 and amendment to D7.12 would prevent this scenario occurring and which would require membership, and more importantly, will also require Regulator (FCA) approval.

This proposal has been discussed with the NCLTN and the legality confirmed by Wrigley's Solicitors. NCLTN in discussion have advised that other CLTs operate with longer term limits, or none at all, so it is unlikely that the FCA would object if the rules were changed as long as the Trust's own rules were followed in doing so - i.e., at a quorate general meeting with the required notice, turnout etc.

It is proposed that KCLT Rule 7.4 be removed completely and Rule D12 be amended to remove the last sentence.

D7.4

“Any Board Member retiring under Rule D7.4 having completed nine years continuous service on either the board of the CLT and/or the board of a group member shall not be eligible for re-election until the next following AGM or, if later, for at least twelve months after completing such service”

D12

“Each board member elected under rule D7 shall be elected for a fixed term of office expiring at the conclusion of an annual general meeting (each a “fixed term”). The fixed term shall be for a term of three annual general meetings unless the board has set a lower number of annual general meetings for the relevant board member on their election. No fixed term shall be set which would cause the relevant board member to serve beyond their ninth consecutive annual general meeting.”

Rule C17.8

In addition, Rule C17.8, which deals with ongoing membership following a Trustee leaving the Trustee Board, has also been identified as requiring amendment with C17 sub-para 8 being removed.

“C17.A member shall immediately cease to be a member if any of the following occur:

- 1. they die;*
- 2. they are expelled under rule C18*
- 3. they withdraw from the CLT by giving notice to the secretary which shall be effective on receipt;*
- 4. they do not participate in, nor deliver written apologies in advance for, two consecutive annual general meetings of the CLT;*
- 5. in the case of a body corporate, it ceases to be a body corporate;*
- 6. in the case of the nominee of an unincorporated body, they transfer their share to another nominee of that body;*
- 7. they cease to be eligible to be a member under rule C9.*
- 8. having been a board member of the CLT, they cease to be a board member (unless the board in its absolute discretion resolves that they shall remain as a member);”*

All three rules above were proposed for removal or amendment and were agreed by a unanimous vote.

A formal application for KCLT Rules amendment would now be processed and sent to the FCA for approval.

Item 6.

The Chair advised that there were up-to-date Plans on the tables surrounding the hall, plans of the CLT houses and also a plot plan of where those houses will be. There are two different types of houses being marketed during phase 1.

- Bellway Homes called the Ferns
- Ashberry Homes (a subsidiary of Bellway) called Lark's Place

Bellway will be building approx. 71 houses/annum each year from Sep 24 – Sep 28 which is approx. the end of phase 1 (Total 285). Then from Sep 28 – Sep 31 they will build out phase 2 with 190 houses

Immediate timeline Phase 1

- Sep 23 House builds and New School starts.
- Nov 23 Bellway Sales Office established & Show Homes complete Feb24
- Jan 24 Ashberry Sales Office established & Show Homes complete Apr 24
- Sep 24 Anticipated School opening
- Sep 24 Anticipated start of Market homes delivery
- Nov 24 CLT homes delivery (2 x 1B & 2 x 2B AR)
- Dec 24 CLT homes delivery (2 x 3B & 5 x 2B AR + 1 x 1B SO))
- Aug 25 CLT homes delivery (3 x 2B & 2 x 3B AR + 1 x 2B SO)
- Sep 25 CLT homes delivery (2 x 3B & 1 x 4B AR + 2 x 2B & 3 x 3B SO)
- Oct 25 Perimeter Road completed before 135 homes occupied

That means by the end of 2024 the Trust will have taken delivery of 12 homes with a further 14 by the end of 2025. Last 4 in 2026 totalling 30 homes (20AR+10SO)

AOB.

The Secretary provided an overview on the Allocation Policy which included the function of the Application process. Further detail is available on the Trust's website including the point scoring process to establish waiting list priority.

There being no further business, the meeting was closed at 1945.

Frank Danks

KCLT Secretary