



**MINUTES OF THE MEETING OF THE BOARD OF
ANGMERING COMMUNITY LAND TRUST
Zoom Meeting
17th February 2021 @ 7.15pm**

Present: Tony Cross (Chair); Angela Colliss; Jan Welch; Steven Mountain; Arthur Trehwella; Kristina Yates; Gareth Cornford (Company Secretary); Jane Anstee; Robin McDonald (Treasurer)

Shareholders: Gill & Guy Partington; Alan Evans; Sally Dickens

1. Apologies for absence

John Oldfield

2. Minutes of Previous Board meeting (Accuracy)

Agreed

3. Matters Arising (not on Agenda)

Nil

4. New Declarations of Pecuniary / Non-pecuniary Interest

No new declarations.

5. Shareholder Consultation

Question: Has the way nominations / allocations for the Mayflower Way properties been changed to allow people from other areas to be housed there?

Answer: No. The Allocations / Nomination policy for Mayflower Way remains focussed on local people from Angmering. The Arun Housing Register does not apply to this development but will to future developments.

6. Chair's Report

Actions:

Letter to BDW Homes who are developing the Land South of Water Lane requesting the purchase of 5 Affordable Homes. Unfortunately, all the AH have been purchased by a Registered Provider.

Email to the National CLT network seeking advice on legitimate measures to reduce Corporation and other taxes applied to CLTs. There is no practical advice available except to contact specialists in this field. I have suggested that their Board may wish to make this a piece of research in the future.

Application submitted for Tax Exempt status for ACLT with HMRC. If successful, we shall be exempt from Corporation Tax and some aspects of VAT.

Attended a virtual meeting of APC regarding the drafting of a Deed of Variation for our Land Registry Title. This is to address variances between that document and our obligations under Section 106 applied by ADC. We have agreed to pay half APC legal costs which will amount to about £500 +VAT.

Approached the developers at Swallows Gate in respect of alterations to the bedroom cupboard areas of the 3 bed houses, thereby avoiding an unnecessary void being constructed as part of the original design. They have agreed to make the changes without cost.

Formal application submitted for the Community Housing Fund grant of £160,000 from ADC. Additionally, Gareth & I have signed the Deed of Agreement for eventual receipt of the funds as previously approved by the Board. This document sets out the terms and conditions for the use of the grant. We expect receipt of the Grant in the next few weeks.

The Allocations / Nominations policy for Swallow Gate continues to be updated between us and ADC. Hopefully we are nearing the final draft and there does not appear to be any problematic aspects to ACLT at present.

7. Mayflower Way (Steven, Jan)

Status Report as of 15TH February 2021:

Good communication established with our Agent - HWP (Bruce);
First design brief meeting scheduled for 23rd February;
Telecomms – Openreach – Contact with design engineer re ducting etc to go in Mayflower Way –layout etc being handled by Bruce;
Agreed to instruct our Solicitors (via Tony) to handle wayleave / easements/options which are integral to the site access for services and other matters;
Landscape plans updated and ready to be part of discharge application to ADC next month. Costs of about £500.

Instructions Issued:

Contract for Foul Drainage Design; Invoice expected end of March.
Contract for Bore Holes which is a sub part of A above; Invoice expected end of March.
Contract to update the Landscape plans used for planning application to be suitable to discharge planning conditions.

The condition of the road in MW was discussed in the context of the APC meeting where they are concerned that any damage to the road should fall to the relevant developer for repair. MW is an unadopted road owned by APC but it is not known whether existing occupants make any contribution to its upkeep. It was agreed that the Chair would write to APC and Crayfern Homes regarding its upkeep going forward. Prior to commencing construction, ACLT should take photos of the road condition.

“Mayflower Mews” is still under consideration as the name for the MW development.

8. Swallows Gate (formerly Merry England) (Robin, Arthur)

The 2 bed houses are close to completion but the 3 bed houses have some way to go. ACLT draft sale brochure prepared.

Financial model is 99% complete and is due to be updated to include recent Savills valuation. Valuations of £325K for the 2 bed houses and £385K for the 3 bed houses.

AT had circulated a paper on the effect of interest rate rises on a variable rate loan as the fixed loan rate has risen from 3.194% to 3.779% with the Variable rate set at 3.25% above Base rate. The recommendation is for a variable rate option and there was a majority in favour of this option.

(Post meeting note – decision paused until further analysis is done with Financial Consultant and Model updated after new valuation data is added, which will be brought back to the Board)

The question of overpayments and early settlement of the loan was raised and possible penalties. (Post meeting note: The Treasurer has since reported that there is no charge to break fixed rate loans under £1m).

We are still awaiting receipt of the Legal Packs for the purchase of the five houses.

KY has obtained guidance from Coodes in respect of SDLT. It seems there are opportunities to avoid liability if grants for the purchase are made from public funds. The SDNPA grant may provide exemption but this has to be determined.

9. Tenancy / Shared Ownership agreements (Angela, Kristina, Gareth)

A Shorthold Tenancy document has been prepared and circulated, suitably amended to reflect ACLT criteria. The Legal Pack may cause the document to be further amended.

Still questions over the policy for White Goods in both AR and SO properties in respect of provision, maintenance and replacement.

10. Treasurers Report (Robin, Jane)

Total funds at Bank are £24,413 of which £18551 is ring-fenced with unallocated funds of £4326. Await receipt of £4800 SIB Grant. No further update of National Lottery grant.

No update regarding Commuted Sum. Still expected to be approved at ADC Cabinet Meeting on 22nd March 2021.

Treasurer has written to HMRC seeking further guidance on liability for Corporation / SDLT tax. They will await result of the application for tax exempt status before pursuing the issue via Consultants. There was some thought that we will not be liable for Corporation Tax as we do not distribute profits.

Treasurer had received a note from ADC regarding SDLT MDR, "Legal advises that in such circumstances it writes to the HMRC seeking advice on a clearance exemption".

The Board expressed concern at the large sums due to be received by ACLT and the inability to protect them via the Banks Deposit Protection Schemes. The Treasury team have identified 63 banks who may be suitable to ACLT in this respect and will report back in due course.

There are no transaction fees with Unity Bank where the balance is under £100,000. However, Unity Bank does not sync well with QuickBooks software.

11. Any Other Business

The Board has previously discussed the concept of a panel of Financial Advisors who, in the absence of a purchasers own Financial Advisor, could facilitate the purchase of an ACLT Shared Ownership property.

Three Advisors have been identified and others can be added to the Panel. It was stressed that none will be recommended and a recommendation should not be implied by virtue of being listed on the ACLT website.

SM has a quantity of lever arch files for document storage if anyone requires them.

12. Date of Next Meeting

Wednesday 17th March 2021 @7.15pm (Zoom)