



## Eastington Community Land Trust Ltd. (ECLT)

### 111<sup>th</sup> Meeting of Board Members

Village Hall 7.00 pm

Thursday 31<sup>st</sup> March 2022

### Minutes

1. **Attendance:** Tom Morrison (Chair) (TM), Alan Brasier (AB), Tom Low (Secretary) (TL), Lynne Farnden (Treasurer) (LF), Anthea McCann (AM).

**Apologies:** Tim Crane (TC), Martin Elliot (ME), Cllr John Jones (JJ), Muriel Bullock (Vice Chair) (MB), Nicola Rowlings (NR). **Declarations of Interest:** none

2. **Approval of Minutes**

The minutes of Board Meeting of 17<sup>th</sup> March 2022 were approved to be signed by MB.

3. **Financial and Administration Report**

- 3.1 **Invoices**

There were three cheques, including that for the LEMP (Item 5.3 below) and two had been approved by e-mail between meetings. The balance at bank would be £68,977.80 once all cheques cleared. TL reminded Trustees that, with £54,000 committed to land purchase, the free cash was £12,977, of which a further £7,416 would either be spent or returned to Groundworks. The true free cash figure was closer to £5,500. A full Budget Book would be circulated to apply from 1<sup>st</sup> April to 30<sup>th</sup> September 2022, for discussion at the next meeting.

- 3.2 **Update on expenditure on CHF Grant**

Following the last meeting, Groundworks/Locality have softened their attitude to carrying money forward past March 31<sup>st</sup>, at least until June 30<sup>th</sup>, 2022. Due to delays in receiving invoices, TL was unable to send a request for time extension until 28<sup>th</sup> March but Groundworks have agreed to consider it:

- £5,300 to be carried forward for legal fees for S 106
- £2,113 to be returned due to nett under-spending on the other five budget heads

TL explained that, if Groundworks declined to extend time on the S 106 fees, there remained the £3,300 due to be received from the Solar Fund as match funding for the CHF.

**ACTION: TL, LF to monitor**

Signed by TM Chair ..... April 2022

## **4. Project Two**

### **4.1 Update on legal items**

Although 2RH had proposed a compromise longstop date of 12 months, the landowners had still not agreed this. It remains the only outstanding item between parties, holding up exchange of contracts.

TM pointed out that analyses of the component actions required to reach completion showed that it would now be impossible to complete before ECLT year-end of 30<sup>th</sup> September. TL agreed and showed a Gantt chart indicating that mid -December was more likely.

A discussion of how to avoid corporation tax on the £54,000 balance remaining in the bank at 30<sup>th</sup> September concluded that TM's suggestion of a 90% deposit on exchange of contracts or even AB's idea of 100% deposit, should be explored with the Independent Examiner and our Solicitor.

**ACTION: TL, LF**

TM queried the progress by Parish Council on the Boundary Agreement, which would be an impediment to contract completion. The matter lies with the Landowners' solicitor. TL suggested this was now an urgent item for Parish Council due to the proposed sale of the neighbouring farm. It would be in Parish Council's interest to formalise control of the Snakey Lane access to the OHMG fields, which remained un-registered.

**ACTION: TL to notify Parish Clerk**

### **4.2 Planning Application**

TL reported that Quattro had responded to National Highways, whose response was awaited. A less onerous series of points had been raised by GCC Highways, which Quattro were dealing with in conjunction with Helix Transport Consultants.

TL had submitted the LEMP (see 5.3 below) for consideration by SDC Ecologist.

**ACTION: TL to monitor with Quattro**

### **4.3 To receive the LEMP report**

It was noted that the LEMP had been received and sent forward to SDC and 2RH for comment in parallel. TM queried the interaction between 2RH GM Team and the need for an ECLT contractor. TL confirmed that 2RH GM Team would install the meadow and maintain it for the 12-months' defects period, leaving just the non-meadow grassland to be maintained after Practical Completion. The LEMP would then apply to ECLT from the end-of-defects date.

Signed by TM Chair ..... April 2022

#### 4.4 Feedback from Public Drop-in at Village Hall on 24<sup>th</sup> March

TL reported that 32 people had attended, of whom 6 became new members. AB and AM commented that there was a high level of interest in the shared ownership homes, which TM took as encouragement that our decision to offer 10 shared ownership was fully justified.

Laura Stephen of SDC, whose attendance was valuable, reported that many of the attendees still had a lot of research to do before they would be ready to make a sensible application for a shared ownership home. TL asked for Trustees support in holding further Drop-ins to continue to raise awareness and encourage potential applicants to be “mortgage ready” well ahead of the homes being finished. This was agreed.

#### 4.5 Discussion on Shared Ownership affordability

Following on from the previous Board TM and TL had been researching the practical meaning of “affordable”. Soundings had been taken from Homes England, SDC, 2RH and a local RICS valuer, with two sets of conclusions:

- The equity component is always at full market value (independently assessed). This means that, although the build cost for Project Two was approximately £210,000, the RICS valuation for Eastington’s premier location would be much higher, perhaps £260,000. The equity share therefore cannot be called “affordable” and there is nothing ECLT can do to influence this process.
- What ECLT can influence is the rental component, which becomes even more significant if action can compensate for the high level of the equity share. Rent is a percentage of the residual equity, the standard being 2.75%. Homes England indicate that areas of high market value but low average earnings, can use a lower percentage. An equivalent increase in the capital grant compensates 2RH for that, so that their viability calculations in ProVal are un-affected. Homes England have indicated that we should explore this and SDC have also endorsed this in principle

TM and TL have used data supplied by SDC to prepare a draft report for Homes England, to be agreed with 2RH. The SDC data indicates that a percentage of 2.00 or 2.25 can be justified on the dual basis of Stroud District having housing values 40% above national average, yet average earnings simply level with national average.

**ACTION: TL & 2RH**

#### 5. Date of next meeting

The next meeting dates were agreed as Thursdays 7<sup>th</sup> and 21<sup>st</sup> April 2022 at 7.00 pm in the Village Hall.

**Meeting closed at 8.20 pm**

**Tom Low, Secretary**

**April 2022**

Signed by TM Chair ..... April 2022

## Glossary

<b>2RH</b>	Two Rivers Housing Association
<b>CHF</b>	Community Housing Fund – source of government grant run by Locality
<b>DAS</b>	Design and Access Statement (Overview planning document)
<b>DEFRA 3.0</b>	Spreadsheet tool for evaluating environmental gain/loss
<b>EPC</b>	Eastington Parish Council
<b>ha</b>	hectare, about 2 acres or two football pitches
<b>GCC</b>	Gloucestershire County Council
<b>GM</b>	Ground Maintenance (Aster or 2RH)
<b>LEMP</b>	Landscape and Ecology Management Plan
<b>S 106</b>	Section 106 – legal document between SDC, ECLT and 2RH, mainly on lettings and local/family connections
<b>SDC</b>	Stroud District Council

Signed by TM Chair ..... April 2022

**A Registered Society under the Co-operative and Community Benefits Societies Act 2014, registration number 7425**

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