

## Church Fenton Parish Council

### Minutes of the Extraordinary Meeting of Church Fenton Parish Council held on Thursday 1<sup>st</sup> February 2018

Present: Cllr Sarah Chester; Cllr Jo Mason; Cllr Andrew Mason; Cllr Craig Blakey; Cllr Stuart Spensley, Cllr Rebecca Hunt, Cllr Ross Higham

Jeremy Sherlock (Clerk); Gill Marshall (SDC Solicitor)

SDC Cllrs Musgrave and Ellis

33 members of the public

#### 92. Apologies, Declarations, and Dispensations

None

#### 93. Public Session

None.

#### 94. Community Shop

The Chair explained that the meeting had been called as she a number of issues had been raised by parishioners with regard to the Community Shop. She commenced the meeting by reading out a statement:

"I want to start by reassuring the community shop volunteers, customers and committee members that the entire group of Parish Councillors are 100% in support of the community shop. I am sure the councillors will all agree the shop looks fantastic and from our work on the NHP the importance of the shop to Church Fenton is not in question. We as a council unanimously support the shop and I am sure will continue to do so.

I would, however, like to share a couple of points with yourselves that I have recently shared with the councillors. Our job as a PC is to ensure we represent the entire village in our meetings. If residents approach any of us with concerns I strongly urge all of us to share this and discuss openly, as we are doing with the concerns currently shared in this meeting. We should not take one side of an argument we should be open to all views and consider everything and then minute this and our decision. If this is something anyone on our council feels unable to do (for whatever reason) then perhaps being a councillor is not for them?

I can completely understand why people would not want to put their head above the parapet - especially given the response of recent weeks. There are many distasteful words I can use to describe the indefensible content copied into recent emails, however that is not in my nature or that of the Parish Council; we have a code of conduct and I am sure we can respect that and work through these items without cause for anyone to feel they are unable share information on behalf of the villagers.

The work the Parish Council have embarked on in recent months is, to say the least, a step change from our work of previous years. We are entering unknown territory with PWL and NHP and I welcome any support and advice we have available to us. We are new to this and we must be clear that we have followed the correct procedures and have the right level of understanding and detail to ensure all councillors are comfortable in the way we are proceeding.

If at times this looks as though any of the councillors are against things proceeding, please let me assure you this is not the case. If at times it is frustrating that things are taking longer than anticipated, please let me assure you that is not our intention. We are looking to potentially borrow over 17 times our income and we need to be sure that everything we do is done right first time with no cause of redress.

With that in mind we will review all concerns and minute these accordingly. I urge any of the public who have further concerns to ideally raise them this evening (where they feel able) or alternatively email myself or any of the councillors and we can arrange to discuss them in our next meeting."

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The following statement was read by Samantha Charlston on behalf of the Community Shop Management Committee:

“As I am sure the Parish Councillors are aware questions of fact can be answered, but any question requiring a shop decision or future policy must be referred back to The Management of CFCS Ltd who will call a meeting and respond to the Parish Council.

As there appears a lot of confusion regarding the shop we have stated a few facts below:-

The shop is run by a company limited by guarantee and its members have the ultimate control of the Company. Any income and property has to be applied solely towards the promotion of the Company's objectives. ( For those who have attended previous Parish Meetings you will remember it was stated that surplus moneys would be used for the Community and the decision as to how would rest with the members.)

The Company Limited by guarantee was chosen as the legal entity for the shop because it would be controlled by whoever in the community wished to become a member, profits and assets could not be distributed to the members, it could be converted to a Charitable Company if so wished at a future date and was quick and cost effective to set up.

Membership was advertised at the opening but further marketing has been delayed until the future of the shop is secure through the securing of the premises.

In line with companies and charities of a similar size and larger, audited accounts will be filed at Companies House and presented to the AGM later this year. The management of the shop Company get regular updates on the financial performance and the various buying groups keep a tight control on the selling margins of items they buy.

The Management Committee is open to all people with a genuine commitment to the shop and as long as people volunteer to work in or provide a service to the shop then they can serve as a member of the Committee.

One or two people have expressed a desire that financial data and the Shop's management committee meeting minutes be posted on a CFCS website or the Parish Council website. Following last night's meeting the Management Committee agreed, that although there was no legal requirement regarding regular updates it will update the community on the shops latest progress, plans and the financial health via 'Fenton in Focus'."

Any queries relating to the Community Shop Company can be raised via their email address - [committee@churchfentoncommunityshop.com](mailto:committee@churchfentoncommunityshop.com).

Some concerns were raised about the need for an Extraordinary meeting, the costs involved, that the issues had been raised anonymously, and about a lack of information on the number of complainants received despite a request to the Chair. The Chair advised that she took the view that there would have been inadequate time at the last meeting to consider the issues properly, and that the Council should address parishioners' issues regardless of how they are received. She advised that she would be happy to pay for the costs of the Village Hall.

Issues raised were considered in turn:

Valuation – following discussions between the vendors and Parish Council a sale price had been provisionally agreed. This was subject to an independent valuation which confirmed that the price was reasonable, following which a formal offer was made and accepted by the vendors. The Council had received a response in writing, and there is no alternative valuation. The vendors were aware of the valuation report. The vendors have requested an overage clause which would allow uplift costs to be shared should the site be sold at some point in the future. It is understood that the vendors received other offers for the building, but were keen to support its retention as a shop.

Separation of duties between the Council and Community Shop – the Council is in the process of acquiring the shop premises and will immediately lease it to the Shop Company who will be responsible for managing and operating the shop. The Council will include a number of controls within the lease (such as requiring Council consent for any changes to the use of the building) but

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will not have any control over day to day operation. The Shop Company have recently agreed to increase the number of Directors to 8 following some resignations. The Directors have ceded all operational powers to the Management Committee which is open to all parishioners' who wish to volunteer. There had been a suggestion that covenants should be included as part of the sale should prevent Councillors of shop Directors from acquiring the building. The Clerk commented that if the Council needed to dispose of the building at any point in the future it would be unwise as it might result in the Council not being able to accept a "best offer" which would not be in the best interests of parishioners. It was commented that Councillors and the Management Committee had worked to retain the shop, not for any personal gain.

The Clerk commented the Council may wish to include a nomination right for a Director to ensure that there is a long term link between the Council and Shop Company. It was agreed to consider this at the next meeting.

It was agreed that the Clerk would post information on the website regarding the roles of the Council, Directors, and Management Committee.

There was a discussion about the declaration of Interests by Directors. The Clerk confirmed that as Directors gain no pecuniary benefit this does not form a Disclosable Pecuniary Interest (where Councillors should not vote or participate in a debate). For other Interests arrangements are set out in the Code of Conduct but it is at the discretion of a Councillor whether they should be declared and what action to take at the meeting, though they can request advice from the Clerk. For the Shop relevant Councillors have requested a Dispensation which has been granted by the Clerk which allows them to vote and participate.

Value for money – other sources of funding could have been considered, but they would have been at less advantageous terms affecting viability. It was agreed that it was appropriate for the Council to assist in establishing the shop.

Councillor behaviour – it was noted that there was a process for raising concerns through Selby DC Monitoring Officer, and that no formal complaint had been made. Some Councillors raised concerns about implications being made regarding the honesty of individual Councillors through anonymous emails.

Trading period – the decision to acquire was taken after consideration of a detailed Business Plan which had been considered by DCLG before loan approval was granted. The vendors could have sold the building to other parties if the formal offer had been significantly delayed.

CFCS Management Committee – Cllr Jo Mason commented that she had advised Council what she felt was reasonable for the Management Committee, but on the basis that it was a Management Committee decision.

Circulation of Lease – the Clerk confirmed that this will be sent to the Management Committee for consideration after it has been drawn up by the Council's Solicitor..

Private meetings – the Clerk assumed that this referred to a meeting with the Council's Solicitor which was held immediately before the last Council meeting. This was to progress actions agreed by the Council, and was reported to Councillors at the meeting. There was no intention preventing access whilst the meeting was underway.

Survey – concerns were raised about implications being raised about the integrity of shop staff and Councillors. The survey box was opened with witnesses present, and the forms then passed to the Clerk who added them to comments that he had received independently. The Clerk commented that even if the consultation had some issues that there were still only 3 comments received objecting to the acquisition. The survey only formed one part of the overall consultation. In addition there had been public meetings and Council meetings where attendees had indicated support. It was noted that the attendees at the Extraordinary Meeting supported the action that had been taken. In the light of comments received the Council agreed to undertake future consultations in a different manner.

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Company structure – the company structure was simple and was used by similar community ventures. It was one of the options recommended by the Plunkett Foundation who were advising the shop group. The memorandum of articles confirms its community objectives, and the lease will require Council approval before there are any changes.

A number of additional comments had been received relating to the operation of the shop which the Chair had forwarded to the Management Committee for consideration and comment.

Any further comments received will be considered by Council, but where issues have been dealt with at this meeting the Clerk will respond directly, copying the response to Councillors.

As a final point the Council agreed that the shop was a success which was down to the hard work by volunteers. Without this effort the shop would have closed.

A member of the public thanked the Chair for arranging the meeting which was endorsed by other attendees.

95. Date and time of next meeting – Thursday 15<sup>th</sup> February 2018 at 7:30 at the Village Hall, Main Street, Church Fenton

Meeting closed at 9:05pm

Jeremy Sherlock; Clerk; [clerk@church-fenton.net](mailto:clerk@church-fenton.net)