

Stockland Community Pub Limited

(A Registered Society for the benefit of the community)



Report on the Annual Members Meeting Zoom Facilitated Meeting 11th February 2021

This report is authorised by the Management Committee of Stockland Community Pub Limited. (“SCPL”). SCPL is a Registered Society under the Co-operatives and Community Benefit Societies Act, 2014.

Registered with the Financial Conduct Authority (FCA), Register number 32191R

Registered Office: Shorms, Shore Bottom, Stockland, Honiton, Devon EX14 9DQ

SCPL is supported by More Than A Pub: The Community Pub Business Support programme. This a unique two year programme established to help support community ownership of pubs in England. Its value is £3.62 million and is jointly funded by the Ministry of Housing, Communities and Local Government and independent trust Power to Change. It is being delivered by Plunkett Foundation in collaboration with Co-operative & Community Finance, Key Fund, the Campaign for Real Ale (CAMRA), Co-operative Mutual Solutions, Pub is the Hub and Locality. For the first time it will offer the community pub sector access to an end-to-end support programme including capacity building and a finance package made up of loans and grants.



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1. WELCOME & RECAP OF THIS YEAR'S AMM PROCESS

The Zoom meeting was opened at 7.00pm and the meeting was started at 7.15pm. It was noted that there were 28 active connections on the call 11 of which may have included an additional shareholder, so there were between 28 and 39 participants at the meeting including all of the current members of the Management Committee:

Chair: Damian Clay **Vice Chair:** Brian Johnson **Treasurer:** Andy Kippax

Secretary: Sheelagh Dawes

Committee Members: Jane Yates, John Vickery, Jo Ash, Phil Burnett, Nicholas Chance

Although we did have a quorum (28 people) this was not necessary as all of the voting had been carried out prior to the meeting via email and postal ballots put to the entire membership (currently 274).

Phil Burnett gave a brief explanation of the meeting etiquette (e.g. muting/unmuting protocol) and the fact that the meeting was being recorded as an aid to creating the minutes. The recording will not be made public and will be deleted after the minutes are produced. Members of the audience could ask questions at any time using the chat box or by raising their hands and they would be unmuted at the appropriate Q&A slot.

The Chair welcomed the attendees and gave a re-cap of the reasons we were having a zoom meeting:

Under our governance rules we are obliged to hold an AMM each year, to report on the performance of the society during the last financial year; to outline any future plans and to make known the current number of members and any plans to increase membership. We also have to present the accounts for the 2020 financial year and we cannot submit these to the FCA unless and until our members approve them.

Due to the pandemic we were not allowed to hold a physical meeting this year. We were mindful of the fact that not all of our members would be comfortable with a virtual meeting and after consultation with the Plunkett foundation we adopted a hybrid approach. We wrote to all of our members providing them with a report on the activities of SCPL and sent them a signed copy of the accounts. We also gave them the opportunity to vote on this year's resolutions and to vote in the elections to the Management Committee, either by post or by email. Finally, we also said we would announce the results in a zoom meeting.

As all members and shareholders should have received the annual report and a signed copy of the accounts for year ending 30 September 2020, we decided it was not necessary to go through these documents during this meeting.

2. MATTERS RAISED BY SHAREHOLDERS THAT WERE NOT INCLUDED IN THE ANNUAL REPORT

These are items that either did not appear in the Annual Report or were raised subsequent to its publication:

Firstly, the Food Hygiene Rating of the pub, which was raised by several members last year. For most of the year 2020, this was set to zero on a scale of 0-5, and the accompanying report by the Environmental Health Officer did not make good reading. The Committee was not pleased, especially as a second unannounced visit by the EHO revealed that some of the faults pointed out in the first instance had not been rectified.

The SCPL Tenant Liaison Committee raised this issue with the tenants twice, the second time quite bluntly. These inspections took place prior to the first Covid closure, and the committee were of the opinion that in the first month or so of trading, the tenants were surprised by their own success and were struggling to cope with the demand from customers, so perhaps there were teething problems.

After the pub was allowed to re-open last summer, the EHO visited the pub again and awarded a rating of 3, with the verbal message that they couldn't go straight from a zero to a 5. Whilst it may take a while for the next inspection to be carried out due to the current Covid restrictions impacting on site visits, the Committee has full confidence in the tenants who are determined to get a 5 rating, and we believe that the next inspection of the pub will see a higher rating being awarded.

The second item is also food related, around the quality of the vegetarian food offered by the pub. It has been pointed out to us by a member that the takeaway veggie meals are not up to the standard of the seated meals, and the Sub-Committee have raised this directly with Richard Benson (director and chef of BGFL).

He did say that it was difficult during the lockdown to gauge the demand for veggie and vegan food, and the amount sold fluctuates week to week and often results in food being thrown away. However, he acknowledges that there is a need to enhance these offerings, especially as more people adopt a vegan lifestyle, and it is something he has taken on board and which the team will be looking to improve this year.

SCPL would like to stress that any customer of the Kings Arms, whether or not they are a shareholder, should really address quality and service issues directly to the tenants at the time the issue arises, as they may be able to address the problem straight away. The team there are very approachable and encourage feedback - Richard has said more than once that he wants to know from customers if things are not right.

The third point that has been raised is the lack of provision of disabled facilities. During the renovations, the Committee did discuss this issue, and concluded that the layout of the pub being what it is, the simplest solution would be to build a new disabled loo at the end of the entrance passage we know as 'the Street', but that this

would have to be after the pub re-opened and we would need grant funding to finance it. Of course, at the time we had no idea that a tenant would want to use this space themselves, and Bar & Good Food have built a pastry room there under our license, granted during the lease negotiations.

Our second choice would have been the storeroom near the entrance from the carpark to the Street, but this is currently used as the wine cellar and this feature adds to the ambience of the building for customers coming in from the carpark.

The sub-committee has raised the matter with the tenants, and we will work with them to come up with a solution to meet this need. It is worth bearing in mind that this is an area where we have a chance of obtaining grant funding because improvements that assist disabled people are generally given some priority when it comes to grant decision making.

We see the provision of having improved access and a disabled loo as a medium-term objective, dependent on our obtaining a grant. We cannot be more specific about when this will happen and given the restrictions the pub is currently forced to operate under, we believe it would not be fair to expect the tenants to fund this program, or indeed to treat it as a priority. Their current focus is on getting through this lockdown and to be ready to ramp up business when pubs are allowed to fully re-open. This issue is not being swept under the carpet, and it will be addressed in the medium term.

3. THANK YOU TO OUR TENANTS AND TO ALL COMMITTEE MEMBERS FOR THEIR HARD WORK

The Chair took the opportunity to pay tribute to all the staff and directors of Bar & Good Food Ltd., our wonderful tenants. What a first year of trading they have come through, experiencing a euphoric start followed by the lows of the various lockdowns, and the very bitter blow of the loss of the late Tony Reps. Their resilience and adaptability are exemplary, as has been acknowledged by the Plunkett Foundation in their annual report on community pubs, and by Plunkett's distribution of the SCPL videos to other community groups as an encouragement and inspiration.

The Kings Arms, and the community of Stockland, are regarded as being shining examples of what a community can achieve in adversity – something we should all take pride in.

The Chair also thanked all the members of the Committee for their hard work during what has proven to be a difficult year for us all.

At this point the Chair introduced the members of the Committee and each gave a brief statement about their role in our Society and the reasons why they want to be part of the SCPL management team.

4. Q&A ON THE ANNUAL REPORT AND MATTERS RAISED BY SHAREHOLDERS

Q Can we make the entrance to the pub more accessible by having a slope that could be more wheelchair friendly?

A The whole issue of disabled access will be considered at the same time as we look at the issue of installing a disabled loo.

Additional comment A ramp at the entrance could be a temporary measure so that at least people in wheelchairs and also pushchairs could gain access to the pub and the work could be done now while the pub is closed.

A We do not want to do any work now that may need to be undone at a later date, but this is definitely an area we will be looking at soon.

Q Could B&GF invite the Environmental Health Officer back soon to try and get a better rating and do we know what exactly they were downgraded on?

A We haven't seen the report so we don't know yet what they were downgraded on but we are sure that they will want to address this before they re-open. There are currently restrictions on visits to premises by the EHO's due to the pandemic.

A member used the zoom chat facility to send a link to a website hosting food hygiene scores (<https://www.foodhygienerankings.co.uk/Establishments/1227089-the-kings-arms>). This states the Food Hygiene and Safety, Structural Compliance and Confidence in Management were 'generally satisfactory', as awarded by EDDC on 27th October 2020.

Q Have there been any negative ramifications from the food hygiene rating?

A There were concerns raised when the zero rating was first known about, but this does not appear to have impacted the use of the pub over the summer which was very successful for our tenants.

Additional comment Hopefully there have been no major ramifications and that this lockdown will give B&GF the opportunity to rectify any problems.

Brian Johnson (Vice Chair) made the comment that their rating of 3 is satisfactory so we should not be too negative.

5. Q&A ON ACCOUNTS AND ANNOUNCEMENT OF RESOLUTIONS ON THE ACCOUNTS

Andy Kippax gave a brief overview of events up to the financial year end on 30th September 2020.

The Kings Arms closed in 2013, this was followed by 5 years of planning battles and eventually in spring of 2018 SCPL did a deal with Horatio Properties to buy the pub.

During the summer of 2018 SCPL raised the funds by issuing shares and by negotiating a £200K loan from Horatio Properties.

The purchase was completed in January 2019 and the renovations started which lasted through to January 2020 when the pub was opened.

The financial year ending 30th September 2020 included 3 months where renovations were still being carried out, this was followed by an initial 3 month rent free period for the new tenants. The first rent received was in March 2020. SCPL received rent for approximately 6 months of the financial year (March to September 2020). In order to support B&GF during the first lockdown SCPL reduced the rent by 50% for 3 months.

SCPL made a loss of approximately £8K in this financial year but as costs fall away and rent payments continue we should be moving into profitability for the current year and the years going forward, assuming that the underlying trading stabilises at a sensible level.

We currently have £49,664.33 in the bank. We have short-term non-interest bearing loans of £47K so SCPL should be in a position to start repaying some of these loans soon.

We also have a loan of £200K from Horatio Properties, this is scheduled to be repaid in January 2023 but we now have verbal permission to repay this earlier which will save some of the interest payments.

A Question & Answer session was then held:

Q Should it come to it are we in a position to help B&GF if they need help?

A The tenant liaison sub-committee have made it very clear to B&GF that if they need help from us of any kind then they need to approach us. The committee takes the view that it is not in the interest of SCPL to offer to reduce rents unilaterally, but we have made it very clear that we are willing to help and support them should they need it.

Q Are SCPL currently receiving a reduced rent?

A We gave B&GF a reduced rent early last year for 3 months but they have been paying the full rent since then.

Comment from participating member – B&GF should have received government support via grants and also reduced VAT payments and they have also taken advantage of the furlough scheme.

Q Are there any government grants included in the accounts

A We are just the property owner and so have not been eligible for grants. B&GF have received grants and we believe they can get an additional grant during this lockdown.

The following resolutions were voted on by members by either email or post:

1. Do you agree to accept the accounts for the year ended 30 September 2020?

There were 57 responses all in agreement

2. For the next financial year ending 30th September 2021, do you agree to commission an independent review as per the 2020 accounts or do you prefer a full external audit of the accounts?

There were 57 responses of which 1 was for a full external audit and 56 were for an independent review, we will therefore undertake another independent review.

6. RESULT OF ELECTIONS TO THE MANAGEMENT COMMITTEE

There were three candidates standing for election to the Management Committee this year and the results are as follows:

Damian Clay received 48 votes
Andy Kippax received 48 votes
Tim Shephard-Walwyn received 46 votes.

All three candidates are duly elected to the Management Committee and will serve for three years.

Damian welcomed Tim to the team and asked him to say a few words to introduce himself.

7. THE COMMITTEE GOING FORWARD

As per our Governance Rules, the next time the committee meets will be to decide from amongst ourselves who will be the Chair, Vice-Chair and Treasurer. The Secretary position is different under our governance rules and the Secretary can be appointed and removed by the committee.

Damian Clay made the following statement:

SCPL is here for the long haul – our mission (written into our Rules) is to own the Kings Arms in perpetuity, and it is vital to refresh and renew the committee and its officers over time.

Since 2013 I have served on the committee as Secretary, then Vice-Chair and then Chair. I said to my colleagues a year ago that I would like to carry on for one more year as Chair if they wanted me to, and that I would then wish to step back and take more of a background role.

In future, I will of course play a full part in committee proceedings and will provide any support and advice I can to the new Chair. I would like to remain on the committee for as long as I feel I am needed and have something to contribute. I would also like to continue to liaise with Plunkett to pass on some of the SCPL knowledge and experience to other communities who are starting out on their journey to pub ownership.

Finally, I would just like to thank everyone who has shared this journey with me, whether you are past or current committee members, volunteers or fund-raisers, for your generous help and support to me personally over the years, for your belief in this project and for helping to keep the dream alive. To paraphrase one of the founders of the United States, getting to where we are today has truly been the work of many heads and many hands and I sincerely wish to thank you one and all.

8. FINAL Q&A

There were no further questions.

The Chair closed the meeting with a few final words:

Thank you for attending this zoom meeting, we will be producing a set of minutes for distribution to all our members. I hope to see you all face to face in the Kings Arms later this year. Meanwhile, please continue to support our tenants during this lockdown.

Good Night and stay safe.

9. MATTERS ARISING FROM/SINCE THE ZOOM MEETING

Note on grant funding

Members should bear in mind that SCPL is a property owner and as such has not been able to claim any Covid specific government funding for itself. B&GF as the tenant and operator of the pub are eligible to apply for the various grants available and make use of the furlough scheme.

SCPL has supported the tenant by passing on information regarding available funding as and when we receive it (generally Plunkett send out alerts when funding opportunities appear).

During the financial year, SCPL applied for and obtained a small grant award from the More Than A Pub programme of £1,542. This was to help the tenant with their additional costs incurred providing take-away meals during the first lockdown (e.g. purchase of carrier bags, food cartons and reusable bottles). This money was passed on in full to B&GF after the receipts for the purchases had been approved by Plunkett, who are one of the administrators of the More Than a Pub programme.

SCPL's own income from donations, grants and fundraising events totalled £1,497 during the financial year to 30 September 2020. None of this included government funding.

The £1,542 small grant award was processed by SCPL on behalf of the tenant and passed through to them in its entirety. As SCPL was not the beneficiary of this sum it does not appear in the accounts.

Election of officers to the Management Committee

One week on from the AMM zoom meeting, on 18th February 2020 the Management Committee met (again via zoom) and the first item on the agenda was election of officers.

Management Committee for 2021

Chair	Brian Johnson
Vice-Chair	Phil Burnett
Treasurer	Andy Kippax
Secretary	Sheelagh Dawes
Members	Jo Ash
	Nick Chance
	Damian Clay
	Tim Shepheard-Walwyn
	John Vickery
	Jane Yates

End of report