

**JOHN MUIR TRUST: TRUSTEES' MEETING****Minutes of Meeting held on Monday 3<sup>rd</sup> December 2018 at Atholl Centre, Pitlochry**

**Present:** Peter Pearson (Chair), David Broom, Alan Dobie, Peter Foulkes, David Gibson, Jim Gibson, John Fox-Davies, Derek Johnston, Patricia Jordan, Duncan Macniven, Jo Moulin, Chris Townsend, Andrew Whitfield, Richard Williams and Douglas Wynn.

**In attendance:** Andrew Bachell (Chief Executive), Kerry Ross (Director of Finance and Resources - except items 6,7 & 11), Mike Daniels (Head of Land Management - except items 6, 7 & 11), Kevin Lelland (Head of Development and Communications - except items 6,7 & 11), Helen McDade (Head of Policy - except items 6,7 & 11), Helen Mason (Engagement Officer – item 12), Adam Pinder (Head of Fundraising – items 12-14), John Low (Policy Officer – item 15), Alan McCombes (Communications Editor – item 15) and Colin Liddell (J&H Mitchell WS – item 6).

**Item 1 – Introductory items**

Peter Pearson welcomed everyone to the meeting. There were no apologies. Peter Pearson requested declaration of any conflicts of interests: there were none.

**Item 2 – Minutes of last meeting (Paper A)**

The draft minutes of the meetings on 21<sup>st</sup> and 22<sup>nd</sup> September 2018, which had been circulated, were **approved** with minor amendments.

**Item 3 – Matters Arising**

On **item 4** of the minutes, Kerry Ross said that Daisy Clark from the Fundraising Team would take Rob Bushby's place on the John Muir Birthplace Trust. On **item 6**, Peter Foulkes noted that the Welsh Government model for National Parks tended to give priority to development over conservation. On **item 8**, Andrew Bachell reported that the Memorandum of Understanding with the West Harris Trust was ready for signature and would be used as the model for the agreement with the North Harris Trust. On **item 9**, John Fox-Davies reported that the member with fundraising skills had decided not to join the Fundraising Committee. On **item 15**, Duncan Macniven explained that it had not been possible for the HR Policy Committee to meet until the following day and that the report on the Staff Survey would therefore be delayed until the January Topical Forum. He assured Trustees that the results of the Survey were satisfactory and helpful except for the response rates, which were lower than previously at 50-66%.

**Item 4 – Action Points from Previous Meetings (Paper B)**

On Action Point 1 from the September meeting, Andrew Bachell noted that there were papers stemming from the meetings of the Finance and Fundraising Committees, so the standing item on Committee meetings had not been included on the agenda. On Action Point 2, he would shortly circulate the link to the Community Land Scotland report. Progress on the remaining Action Points, recorded in the paper, was **noted**.

**Item 5 – Land Acquisition (Paper C)**

Mike Daniels spoke about the three possible land acquisitions mentioned in the paper. The lease at **Glenridding** ran until October 2020 and a process and timetable for decision-taking on the options thereafter would be drawn up. On **Mid Wales**, it seemed sensible for the Trust to monitor progress: the Summit to Sea project was making good progress following successful fundraising. With regard to a site in the **Scottish**

**Borders**, further investigation was proposed which, if positive, could be followed by a visit by Trustees. On a property in **Knoydart**, it did not seem feasible for the Trust to act alone; the Knoydart Foundation did not seem interested in acquisition but options could be explored. Andrew Bachell said that a fourth property, in the **Lake District**, had come to notice in September. It had initially seemed unattractive because the scope for action by the Trust would have been constrained by a farming tenancy – but circumstances had changed and he proposed to pursue the possibility further.

Trustees **agreed** the action which was proposed.

### **Item 6 – Governance Review (Paper D)**

Alan Dobie, who chaired the Governance Committee, said that good progress had been made since the September meeting. Colin Liddell, an experienced charity lawyer from J&H Mitchell WS, had completed the first phase of the review and his report (Appendix 3 to the paper) had been discussed by the Committee. The Committee recommended engaging Colin Liddell to undertake the second phase.

Colin Liddell presented his findings. The Trust's present governance had very good elements and there was nothing which needed urgent attention. But the Memorandum and Articles would be more comprehensible, and minor discrepancies between them would be eliminated, if they were brought together in one document. The Standing Orders contained provisions relevant to members, which would be more visible if they appeared in the new single document, leaving the Standing Orders to contain more domestic arrangements. Best practice in charity governance had evolved since the Memorandum and Articles were last reviewed and could be incorporated in the new document. He proposed to review the documents sequentially and comprehensively, starting by drafting new Articles and working downwards. The work might take up to 18 months, aiming for approval at the 2020 AGM but with a progress report to the 2019 AGM. It could be closely overseen by the Governance Committee throughout that period. The product would be a comprehensive constitution for the Trust for the next decade.

In discussion, Colin Liddell explained that the task was not large – he envisaged a fee of around £5,000 – and would involve little extra work for JMT staff, it being a task for Trustees rather than the Management Team. An alternative approach would be to tackle piecemeal the points which needed most improvement – but that would involve the selection of the points to be tackled, would probably take longer and would inevitably miss connections between the various documents. He agreed that it would be sensible, once a new constitution was in place, for the Governance Committee to monitor its operation annually. Andrew Bachell noted the importance of keeping members informed and explaining in the run-up to the 2020 AGM the reasons for the changes – which would involve modest additional costs.

Colin Liddell having left the meeting, Trustees **concluded** that his recommendations for a comprehensive review should be accepted; that, because of the modest cost and Colin Liddell's expertise, the original intention to have the second phase carried out by a different person from the first stage should be set aside; that Colin Liddell should be engaged to do the work; and that the Governance Committee should oversee the review, reporting progress to Trustees at the January Topical Forum.

### **Item 7 – Management Team Development**

Andrew Bachell reported that the planned report by Lesley Gilmartin, who had facilitated the review of the working of the Management Team, would be presented to the January Topical Forum. Trustees **noted** the position.

### **Item 8 – Risk Register (Paper E)**

Andrew Bachell explained the revised format of the Register, showing action taken to mitigate risks and the residual risk which remained after mitigation. This was work in progress and he envisaged that the Register reported as the normal annual review at the March meeting would be slimmer and simpler. Trustees discussed various risks, particularly where the residual risk exceeded tolerance, and **noted** the paper, welcoming the revised format.

### **Item 9 – Revised land policies – Fishing and Large-Scale Events (Paper F)**

Mike Daniels explained that the paper set out amended policies, prompted particularly by the legal position in England which affected the management of Glenridding. If agreed, they would replace the policies temporarily suspended at the last meeting. Trustees considered that there was scope for the Events policy to be more directive, within the constraints of the legislation, placing less of a burden on Trust staff and more on the event organisers. They **agreed** the revised policies, subject to drafting changes.

### **Item 10 – Budget and Operational Plan 2019-2021 (Paper G)**

Presenting the paper, Kerry Ross underlined the impossibility of continuing to budget for a deficit of £500k without reducing free reserves to a level lower than the agreed target. Unrestricted income of £1.1m was necessary to cover staffing costs. She highlighted the fact that the £300k designated to bridge the gap between Award income and expenditure would be exhausted by 2020. A decision was also needed on the change in auto-enrolled pension rules: the budget had been prepared on the assumption that the Trust would continue to contribute 5% of staff salaries, which exceeded the 3% minimum under the new rules. The proposed budget was recommended by the Finance Committee.

In discussion:

- Peter Pearson and John Fox-Davies welcomed the new activity-based approach to budgeting and the greatly-improved presentation of the budget;
- Trustees highlighted the relatively-low cost of policy work in relation to the impact on the Trust’s visibility and objectives;
- Kerry Ross confirmed that the £300k safety net for the Award would allow it to continue in full operation pending the completion of the review of the Award which was about to start;
- Kerry Ross confirmed that the cost of the posts listed in Appendix C to the paper was included in the budget.

Trustees **approved**:

- the Trust budget for 2019, including the recommended increase of 2.5% in employment costs and the proposed pension contribution;
- the Trading Company budgets for 2019 and 2020.

### **Item 11 – Changes to Standing Orders (Paper H)**

Andrew Bachell explained that the proposal, recommended by the Governance Committee, made minor changes to the Trustee election period and the eligibility to vote at Trustee elections. Trustees **approved** the changes, subject to the deletion of “and processed” from the final bullet point, on the grounds that the processing of a membership application was in the hands of the Trust rather than the applicant.

### **Item 12 – Membership Subscription Fee Changes (Paper I)**

Kevin Lelland said that the paper recommended changes in certain membership fees following a review by Helen Mason of what comparable bodies charged. Adam Pinder explained that, pending a broader review of Corporate Membership, no change was proposed for that category. Trustees discussed whether a 16.7% increase in the fee for Individual Membership was excessive, given that inflation since 2015 had been less

than 10%. Although few members had been deterred by the last increase, the proposed uplift was significantly greater. On balance, Trustees concluded that the higher increase was justified by the extra work, including at Glenridding, which the Trust was undertaking: the income was necessary for the Trust to make the impact which members clearly wanted. Little income would be lost, however, by reducing the Group Membership fee to £60 instead of £66 and Trustees **agreed** the recommendations subject to that adjustment.

### **Item 13 – Scottish Environment LINK membership (Paper J)**

Andrew Bachell reminded Trustees that the Trust had withdrawn from membership of LINK in 2015, for several reasons, but at the time had agreed to revisit the decision after 12 months. That review had not taken place but it appeared from recent contacts with the body, particularly a meeting which he (accompanied by Duncan Macniven and John Fox-Davies) had had with its Chair and Vice-Chair, that the problems were greatly diminished. For the reasons set out in the paper, Management Team recommended that the Trust should rejoin LINK. In discussion, Andrew confirmed that the Trust's subscription would be around £5k, that the extra workload for Management Team members would not be excessive (particularly because input to LINK could be put to one side at times of pressure) and that he could underline to the Chair of LINK the importance of respectful behaviour if LINK members disagreed on a publicly-visible issue.

With these assurances, Trustees **agreed** the recommendation.

### **Item 14 – Communications Strategy (Paper K)**

Kevin Lelland explained that the draft Strategy in the paper benefited from input from the Management Team and from staff more generally at the away-day in September, and would be discussed further by the Fundraising Committee on the following day. It was aligned with the Corporate Strategy and the Wildness Strategy. Trustees cautioned against over-stretch: the actions listed on the final page were all desirable but could be prioritised in the light of resources. Otherwise, Trustees **welcomed** the draft Strategy.

### **Item 15 – Windfarm applications**

John Low spoke about two current windfarm applications – Glenshero and Cloiche.

Glenshero was promoted by the owners of the Lochaber aluminium smelter and Green Highland Renewables, who claimed that the electricity it would generate would help sustain long-term employment at the smelter. The application was for 39 turbines of 135m height, accessed by a 24km extension of the Stronelairg track. Some aspects of the environmental impact were poorly-researched but there might be additional impact on some areas of Wild Land and the Cairngorm National Park. It appeared damaging in terms of new tracks and peat extraction. Objections had so far been submitted by RSPB, Mountaineering Scotland and a community council in the Great Glen (because of traffic during construction). Visit Scotland had recommended that an independent assessment of the tourism impact be done. John Low had met representatives of the Cairngorms National Park (which did not propose to object because the visual impact on the Park was minimal) and hoped shortly to meet Highland Council (whose position was unknown).

Trustees recognised that a decision on whether or not to object was finely-balanced. The Stronelairg windfarm and associated roads had already jeopardised the remote feel of the area. The proposed windfarm was not in a Wild Land Area. The link, however tenuous, with jobs in Fort William created a different public dynamic compared to a normal application. On the other hand, the existence of an objectionable windfarm must not be allowed to signal that neighbouring applications were unobjectionable. Any objection must be based on clear evidence, particularly on the degree of landscape damage, rather than principle. It might be possible to submit a holding objection, because of the inadequacy of the application, which would permit further study of the effects. Whatever the decision about an objection, care would have to be taken with the

presentation to members and to the wider public. Trustees **noted** that a decision would be taken by staff, before 17 December.

The Cloiche Section 36 application, by SSE, was at an earlier stage and no immediate decision was necessary. It involved up to 40 turbines of 175m height and was controversial, because it effectively resurrected the portion of the Stronelairg windfarm which had been removed to induce Highland Council not to object to that application. Trustees **noted** the position.

#### **Item 16 – Operational Update (Paper L)**

Trustees noted that Chris Goodman had handed in his notice as the Trust's Footpaths Officer and sent their thanks for his substantial contribution to an important part of the Trust's work and their best wishes for the future. Trustees asked about the licence for trail hunting at Glenridding: Mike Daniels explained that this was an established use, the continuation of which had been agreed at the outset of the Trust's lease. Trustees **noted** the report which, as usual, they had found very informative. A full discussion of 2018 operations would be facilitated at the January Topical Forum.

#### **Item 17 – Financial Update (Paper M)**

Kerry Ross drew the attention of Trustees to the likelihood that the end-year deficit would be slightly greater than budgeted, largely because unpredictable legacy income had fallen short of forecast. If however the end-year position seemed likely to result in a level of free reserves higher than the 6 months target, she proposed to contact Trustees with a recommendation to designate the surplus for some specific purpose. Trustees **noted** the position.

#### **Item 18 – Chairman's Report (Paper N)**

Trustees **noted** the report, welcoming the Chairman's particular visibility in the Lake District.

#### **Item 19 – Any Other Business**

Trustees:

- congratulated Kevin Lelland on an excellent presentation to the Bristol members' group;
- noted that the Welsh Government was consulting on the impact of Brexit and Helen McDade was considering the Trust's response.

#### **Summary of Action Points**

There were none.

Duncan Macniven  
25<sup>th</sup> March 2019