

# Wimbledon and Putney Commons Conservators – June 2016

## DRAFT Minutes of the Conservators' ANNUAL OPEN MEETING held at St Margaret's Church, Putney Park Lane, London SW15 5HU

Conservators: Ms Prue Whyte (Chairman)  
Mrs Shirley Gillbe (Vice Chairman)  
Sir Ian Andrews  
Mr John Cameron  
Mr Derek Frampton  
Mr Keith Luck  
Dr Ros Taylor

Officers: Mr Simon Lee (Chief Executive)

Auditor: Mr Walter Benzie, ANOVA

115 Levy-payers and other members of the general public

The Chairman began by welcoming everyone to the meeting, including distinguished guests, His Worshipful the Mayor of Wandsworth, Cllr Field and thanked them for attending. She then invited each of the Conservators, the Chief Executive and the Auditor to introduce themselves to the audience.

### 1. APOLOGIES FOR ABSENCE

None

### 2. MINUTES OF THE LAST MEETING

The Minutes of the previous Annual Open Meeting held at Roehampton Church, Ponsonby Road, Roehampton on Wednesday 17<sup>th</sup> June 2015 were approved by the Board and signed by the Chairman.

### 3. CHAIRMAN'S REPORT

Reflecting on the past twelve months in preparation for delivering this report, I am aware of the enormous amount of work that has been taking place, not only actually on the Commons, but also on the Board.

Much has been achieved, though we know that there still remains much to do in fulfilling our charitable objects which are to maintain the natural aspect and state of the Commons, ensuring they are available for the enjoyment of exercise and recreation of users.

I would like to start with some thanks. Firstly, to Keith Luck who was Chairman during the first seven months of the new Board's existence, standing down in October 2015. Having been Chairman myself since November, I fully recognise the time-commitment involved in this role and appreciate why Keith decided that he could no longer balance this with his own full-time job.

Secondly, to Nicholas Evans who took the decision, I am sure not lightly, to resign as an Elected Conservator in November. We are grateful for his contributions during his time on the Board.

Thirdly, to Shirley Gillbe who has continued as Vice-Chairman throughout. Her input continues to be invaluable as, indeed, does that of all Trustees.

I would also like to thank the Board for the confidence they have placed in me in renewing my appointment as Chairman of the Conservators for 2016. It is a privilege to hold this position as we all strive to act in the best interests of the Charity.

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Not surprisingly with seven views on the Board, there is a good deal of lively and, at times, contentious debate, but I believe this is healthy. A Board needs variety in its membership to bring differing viewpoints to the table. It has been a challenging time but I thank my fellow Trustees for their commitment and hard work.

There are two further things I would like to say at this point:

Firstly, the Board carefully considered what action to take following the resignation last November of an elected Conservator. Having taken legal advice, it concluded that the balance between the remaining elected and non-elected Conservators sufficiently satisfied the statutory requirements of the 1871 Act and that expending further substantial resources on a By-Election so soon after last year's election was not an appropriate use of the charity's funds. It agreed, however, to keep the position under review.

Secondly, the Board agreed to suspend the Committee structure at its November 2015 Board meeting and to meet more frequently to enable timely collective decisions on all matters affecting the governance of the Charity. In February 2016 the Board agreed that it would adopt the two substantive Sub-Committees recommended in the Governance Review once the Putney Hospital issues are resolved.

Two very substantial matters have affected the Commons this year.

Firstly, Putney Hospital and the Charity Commission Formal Action Plan.

We asked the lawyers we appointed to advise us to provide a report on progress which we could use to update this evening's meeting. It reads as follows:

*"Since our last General Open Meeting on 2 December 2015, we have proceeded with the Formal Action Plan set out by the Charity Commission in its letter of 22 October 2015 and adopted by the Conservators at their meeting on 11 November 2015.*

*The first step was to appoint an independent law firm and after approaching three firms, we appointed Charles Russell Speechlys LLP ("CRS") on 7 January 2016. They were given a large amount of documentation and undertook a thorough review with all Conservators. On the 7 April 2016 they produced a report and recommendations, including that we should obtain specialist counsel's advice on the key technical question of whether the Conservators were required to comply with Sections 117-121 of the Charities Act 2011 ie obtain a qualified surveyor's report – a QSR - giving a valuation to be taken into account when granting the easement. Simon Taube QC advised in two written Opinions in April that Sections 117-121 did not apply to this Charity because it had been incorporated by an Act of Parliament which gave the Conservators power to dispose of land, and therefore exempted the Conservators from the Sections.*

*The effect of this opinion was to fix the relevant date of valuation at 14 February 2012, which could otherwise have been later. The Conservators still had a general fiduciary duty to ensure that the terms on which the easement was granted were the best that could reasonably have been obtained for the charity having regard to all circumstances, and they should therefore have obtained an independent expert valuation on which they could base their judgement.*

*CRS therefore recommended that we proceed with the Charity Commission's Formal Action Plan and, following discussion at the June Board, we have resolved to do so. CRS are now instructed to produce a shortlist of surveyors they recommend and undertake a formal procurement process to enable us to choose one firm, instruct them and obtain a retrospective valuation at 14 February 2012. They advise that they expect to have this valuation in a few weeks' time and will then be in a position to ascertain whether the Charity has incurred any loss, and if it has, how and from whom the Charity should seek any redress. CRS are keeping the Charity Commission informed of progress."*

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We all very much hope that the information that we need to bring this process to a close will indeed be available within the next few weeks.

*Her Worshipful The Mayor of Merton, Cllr Mrs Fraser, arrived with her Consort and were welcomed by the Chairman.*

The second issue was the damage sustained to our iconic Windmill on the 2nd August 2015. Fortunately, no one was injured and our insurers settled the claim for the damage to the sails. Together with the Trustees from the Windmill Museum our officers worked hard to complete an application to the Heritage Lottery Fund under their "Our Heritage" scheme. We sought a £100,000 contribution to the £140,000 project and were delighted to receive the news in March that this had been agreed.

Working with local conservation architects Marcus Beale Associates and established millwrights IJP Owlsworth, the first stage of work to stop the water ingress through the tower has now begun. The millwrights will then paint the cap and the tower before installing the sails in the early autumn. We have been indebted to the generosity of local people in raising over £8,500 towards funding for this project.

This work forms the first phase in the restoration works to the Windmill and will ensure that, for the bicentenary of the Windmill in 2017, the structure will be looking at its best. Further works remain to be done to enhance the museum displays. The Windmill Museum operates entirely by volunteers, I see some of their Trustees here this evening, please do talk to them if you are interested in helping to volunteer.

Throughout the year the Board has endorsed a number of policies that underpin the governance of the organisation including on Health and Safety, Reserves, and Anti-Bribery and Corruption to name but three. We have also introduced a Risk Management Strategy that is reviewed regularly to ensure we are focusing on the Charity's top risks. Funding for the management of the Commons is something that the Board keeps under constant review.

We have held our own volunteering activities on the Commons for many years, but in 2015 we introduced, our new affectionately named "Scrub Bashers" who have been regularly attending work sessions on Putney Heath, helping our staff to remove saplings and restore our rare and protected heathland habitats. Since July 2015 over 720 hours have been devoted to these activities and the transformation of our heathland has been quite dramatic. Thank you all for your support it is hugely appreciated.

The Wildlife and Conservation Forum, under the chairmanship of our DEFRA appointed Conservator, Dr Ros Taylor, was reshaped from the Natural History Sub-Committee as part of our wider restructuring of the community engagement activities following the Governance Review. The Forum goes from strength to strength and again we are assisted greatly by very many volunteers.

Building on the success of the same event last year, our third BioBlitz event is to be held this coming weekend. There are information leaflets available tonight. Please do come along and sign up for one or more of the activities. It is a wonderful event for children and adults alike. Last year experts from the Natural History Museum found a False Click beetle a very rare beetle indicative of an ancient and well-cared for environment. Dr Taylor has produced another excellent monitoring report of the work activities of the Wildlife & Conservation Forum and this can be viewed on our website.

The Board has established a Stakeholder Group to act as a consultative group for those with interests in the Commons. The group includes representatives of a range of different constituencies, including local Residents' Associations, Amenity Groups and various Commons User groups. Through this group, information is being shared with a much wider audience. The

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Group has also been asked by the Board to assist with the preparation of a new Commons Strategy.

Officers also meet with Commons users, be they the Golf Clubs, runners, football and rugby clubs, horse-riders and others who operate leases or licences under our control. Staff have held several walks and talks, promoting different aspects of the site's management. Our most recent in April 2016 was attended by over 50 people focusing on the military associations with the Commons. Recently the CEO attended the AGM of the Wimbledon Society and gave a presentation to over 70 local residents about the Commons, their governance and the major challenges facing us. I know that he will be only too pleased to do the same for any other organisations which might be interested.

Our regular Commons News is now being widely circulated electronically. If you haven't already done so, please do sign up to receive these regular updates. The Annual Newsletter has also recently been circulated to properties within the Levy-paying area. This too again includes more information about activities on the Commons.

Our new website has also been very well received and is regularly updated. We hope that it will become the first port of call for people interested in the Commons but our Facebook and Twitter accounts also provide a valuable means for communicating with the wider public.

Simon will have more to say in a moment about operational issues around the management of the Commons but you have on your chairs copies of the Annual Conservation Report which highlights some of the most prominent work. I commend it to you.

I want to finish with a thank you to you all for your interest and support in the work we all try to do to conserve these wonderful open spaces that mean so much to us all. At last December's General Open Meeting I asked you on behalf of the Board to give us space to work through some of the issues confronting us. You responded and I know that Board are most grateful.

Finally I want to say a word about the staff. We are so fortunate to have such a dedicated team of people. Without their flexibility, enormous range of skills and knowledge the Commons would be a very different place. It has been a pleasure getting to know them more and learning what they all do.

Simon brings huge energy to his job as Chief Executive and is a tower of strength. So without further ado I shall hand over to him to give an overview and presentation of the accounts illustrating where are resources have been utilised for the benefit of managing the Commons.

#### **4. THE FINANCIAL STATEMENTS AND CEO PRESENTATION**

You can never say that life on the Common is boring. Last night whilst watching the final big debate on Brexit the Head Ranger radioed concern about a very large dog roaming loose on Putney Heath. Attending with one of our Keepers we were greeted by a Dogue de Bordeaux (Hooch for those that recall the film). Having established that he wasn't entertaining the notion of getting into a vehicle, I walked him back to the Ranger's Office where this morning his tearful and distraught owners were reunited with him. Life on the Commons is never dull.

Back to more serious matters, I want to give an outline of the bigger financial picture before looking in more detail at the Accounts for the last year.

Our Board reviews the finances at every meeting, with more in depth reviews on a quarterly basis.

A review of our assets has revealed some major works are necessary, to ensure the integrity of our infrastructure, properties, and landscape elements.

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The following few slides give an indication of the issues.

Although a Common, the land needs managing and putting off investment, as we know only too well with our own houses ultimately results in more costly repairs and restoration down the line. We are now investing in the asset and much has been achieved in the past year.

We estimate we will need in excess of £2.8M over the next ten years if we are to safeguard for the public benefit the conservation and use of Wimbledon and Putney Commons in a manner appropriate to the site's historical natural environment. It will mean having to prioritise our resources, seeking ways to increase income and closely monitoring expenditure.

It is on that basis that I am pleased to be working with the new Stakeholder Group on the development of the Commons strategy. Charities and especially those holding assets need a longer-term management strategy.

I'll briefly explain the position in relation to the different funds held by the charity:

**Restricted Funds** are those ring-fenced and dedicated to a specific issue. With grant funding and generous donations towards the Windmill, we considered it only right that a restricted fund be established. There are many other projects where we can ensure that funds are restricted for the purposes they are raised.

**General Funds** are the Cash in the bank. In 2014/15 this was £970,600. We took a deliberate policy decision to utilise some of these funds for restoration/special projects.

**Designated Funds** are those funds that are allocated for a particular purpose. In our case, it includes the Mill House and Election Sinking Fund.

You can see that compared to 2014/15 we have a deficit position in 2015/16, not a sustainable position but, as explained earlier, because resources were ring-fenced for specific projects. This year we have a deficit of nearly £431,000. Last year we returned a surplus, due in the main to the one-off income from the Putney Hospital easement.

So, a brief run through of the key restoration/special projects for 2015/16:

## **Planned Preventative Maintenance**

We need to spend nearly £500,000 on our properties over the next 10 years just to keep them to the existing standard:

- Window replacement – commercial and residential properties
- Refurbishment of kitchens/bathrooms in residential properties
- Enhance welfare facilities at staff depots
- External decorations
- Mechanical and electrical – including REMPF pavilion boilers
- Health & Safety checks
- Sewers
- Fence restoration

## **Major Projects**

*Springwell Cottage* – This work at a cost of nearly £150,000 involved the complete restoration of the cottage, including provision of a new roof, complete refit of all mechanical and electrical services, including new boilers, provision of a new kitchen, bathroom, floors and insulation and works to the boundary fencing and garden.

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*Thatched Cottage* – works were necessary to replace the entire kitchen as it was no longer fit for purpose.

*Shared Use Pedestrian and Cycling Paths* – restoration of footpaths, does not come cheaply, just the short section from Inner Windmill Ride by the Ranger's Office down to Green Ride, probably a couple of hundred meters is £60-70K to do properly. We were using tarmacadam scalpings but on an SSSI/SAC this is unacceptable. We are now using Type 1 MOT aggregate and undertook further works at Ladies Mile and Centre Path in 2015/16.

*Woodland Restoration* Our landscape is our most precious asset and it takes intervention to keep the Commons heathlands, grasslands and woodlands managed. We secured a further £68K on grant funding for our woodland restoration works.

*REMPF* Our sports pitches have seen increased use, particularly weekdays through Thomas's Day Clapham School. We have in excess of 15 football pitches and 4 rugby pitches. These pitches are sited on London Clay so drainage is essential. Last year we worked with London Cornish RFC to secure external funding from the Rugby Football Union and commenced works to improve drainage on their first pitch.

### **Restoration works at Putney Lower Common.**

Any works to a public open space cause reactions. Having managed Hampstead Heath in north London, I am only too well aware how high passions can run. Landscapes do recover and the following slides set out how the intervention on the woodland buffer zone and additional tree planting have helped to start to rejuvenate this area. Further restoration works are planned for later this year.

### **Logs for sale**

Can I also remind Levy-payers that logs are for sale at the Ranger's Office, helping towards WPC's funds.

Finally, a special thanks to my staff, their passion and commitment to the Commons is second to none. Welcome to Steve Bound Chief Operations Manager, thanks to Bill Rowland Head Ranger, Jack Rowland Maintenance Manager, Gary Jepson Sportsground Manager, John Shipton Keeper Team and Peter Haldane Conservation and Engagement Officer for his work on volunteering and ecological management. A special thanks to Paula Graystone, Deputy Clerk and Ranger for her work on finance and administration and of course Angela Evans my PA.

## **5. QUESTIONS ON THE FINANCIAL STATEMENTS**

### **Alan Carr – Wimbledon**

Q - Would it be possible to have the plans for the future posted on the website, or could you say a few words?

SL – Our priority has to be to carry on working through the Formal Action Plan issued by the Charity Commission. Then there is the on-going restoration works at Putney Lower Common.

The Commons Strategy is one of the most important pieces of work that we are currently undertaking - we have looked at strengths and weaknesses, opportunities and threats and it will be important to get external views regarding the future management of the site. Without a long-term plan, opportunities are missed and resources are wasted. Hopefully over the next 12 months, we will be able to prepare the draft Strategy.

As we have seen earlier, considerable investment is needed in the Commons, but we need to maximise the use of our resources and try to generate more funds, which may be achieved by

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looking for outside funding. Raising awareness of some of the issues, such as footpath restoration and set up a means for people to donate for specific projects. Communication is something that we have worked really hard to improve but is something that we can do more of - it is essential and there are many ways we can look at to achieve that, not just through our regular newsletters, but also our walks and talks.

There is information in the accounts about our future work priorities, but I can see the benefits of having this on the website.

### Mike Rappolt – Wimbledon

Q – Clearly there is a cash issue looking forward. I see that the Auditors have signed off the accounts and stated that the Commons are a going concern but I noted that there was not a cash flow statement anywhere in the accounts, particularly a forward-looking cash flow. If it exists, why has it not been published?

SL – We have carried out work on cash-flow, but also looking at the longer-term issues associated with asset management. There is more to be done in terms of what the priorities are and how we move forward but it is clear that we cannot not achieve everything that is set out in our plan without either generating more income or doing things differently. It is something we need to look at and we also need to look at ways to generate income and conserve expenditure in terms of cash flow moving forward

KL – The cash flow statement for last year is on page 16 and 17 and, as you would expect in a set of accounts, it is historic. The work we have been doing on the strategy has identified broad guidelines on the amount of investment that is required and the concern is going forward that our resources are insufficient and how we close that gap Simon has described. The strategic priorities and what is happening with our plan going forward is printed on page nine of the accounts.

### Brian Rutherford – Putney

Q – I did see that there was a financial statement on page 16, but I did not understand why in the cash flow there is a £30,000 allowance for disputed professional fees when it is not cash out and it is disputed. Following on from that, I see that legal expenses of £120,000 are stated, between Charity Commission work and presumably the Putney Hospital dispute, what is the split between the two?

SL - I would like to take the second question first, we did issue a statement earlier today on our website that gave a breakdown of costs. In broad terms we have spent just over £40,000 with BWB in taking forward the work; we reached an impasse there and in order to help the Charity Commission to intervene, charity lawyers were engaged at a further expenditure of £5,000. There was a further issue with regard to the Putney Hospital landscaping that cost £13,000 to resolve and then a further £35,000 has been spent with Charles Russell Speechlys to date.

Q – What was the split between the Putney Hospital dispute and the Charity Commission?

SL – The Putney Hospital dispute, up to October 2015 when the Charity Commission letter was received, was in the order of £45,000. A further £35,000 has been spent with Charles Russell Speechlys.

Q – You have stated in your cash flow statement that there is £30,000 cash out in disputed professional fees (presumably the Montagu Evans' bill) but it is not cash out because it has not been paid?

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WB – As the £30,000 has not actually been spent, the same amount has been added back into the cash flow so the loss is not so great, although a note has been made of the possible cost to the business.

### David Renshaw – Putney

Q – At your last Open Meeting I asked a question about the deficit for operating purposes which was net of £350,000 income from Putney Hospital. I advised that you would have to get to grips with this quickly as the charity has limited reserves. This year you recorded a £430,000 deficit and I think you have some unpalatable decisions to make in order to balance the books. I am afraid this will not be done just by smaller efforts. I would like to understand the Conservators' thinking is about this and whether you will tackle it to a much higher degree than possibly is being taken now?

SL - This comes back to the strategic side of the operation and we recognise that we have to balance books and income with expenditure. Our strategy work will look at the landscape and determine what our priorities are and where investment needs to take place, this piece of work is now underway. There has been a need to carry out some critical works to mitigate risks and unfortunately this has been costly.

### Mr Hanni – Putney

Q – Have the Conservators considered what the possible impact will be to the lifestyle, habitat, vegetation and local residents on the area around Lower Common once Thames Water start to construct their super sewer in Fulham (near the Hurlingham Club).

SL - The Conservators considered the matter in 2014 as there were issues regarding pipes being laid under the footpath running along the towpath on Putney Lower Common. That was the extent of the works which affected the Conservators' land as the main works were being carried out on Barn Elms. The physical impact to Putney Lower Common is minimal and has been kept under review.

### Andrew Ailes – Kingston Vale

Q - Could you tell me whether a good profit is made from the Richardson Evans Memorial Playfields?

SL – The REMPF returns a healthy income. Thomas Day Clapham School pay a significant rental for the use of the site and we are currently in negotiation with another local school which we hope will extend the use of the playing fields on weekdays. This year's accounts show an increase on the previous year.

### Andrew Simon – Wimbledon

Q – Is the deficit shown in this year's accounts nearly entirely attributable to planned budgeted expenditure and a deliberate decision to draw on some of the reserves which had been criticised for being too high in the past?

SL – There was definitely an issue for the Board with having over £1m cash in the bank and an additional £1.5m as investments. The Charity Commission have strict rules on this issue and there was a very deliberate decision by the Board to reduce the cash through the need to carry out immediate work to ensure the safety and integrity of the Common.

## 6. GENERAL DISCUSSION AND QUESTIONS

### Mariangela Renshaw – Putney



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Q – Could you provide details on the new lease being negotiated between the Trustees and The Spencer regarding the benches on Putney Lower Common? I think personally that the benches are a blight on the Commons and should have never been allowed.

JC – Whilst I can appreciate both sides of the argument, I think the benches should never have been allowed. Queries were raised about the small amount of income being received for the benches. We are currently receiving advice on the value of the benches; in my view that advice has been poor. The Spencer does make a very good profit from the benches whilst we receive next to nothing.

The Spencer has indicated that if they were offered a longer licence they may be minded to pay considerably more than they do at present. To my mind that amounts to commercialisation of the Common and I would not want to see that happen. I would like to see some form of public consultation on the benches before there is any change.

Q – How can you avoid setting a precedent with the benches?

JC – The precedent is already set. This was the argument four years ago when the benches were requested. Once allowed how do we get rid of them? The Common has been here for 120 years without the benches – but if they are now removed someone else will complain that they miss them.

### **Robin Healey – Wimbledon**

Q – I would like to draw your attention to the formal action plan issued to the Conservators by the Charity Commission on 22 October 2015, particularly to the paragraph at the bottom of the page:

“The Trustees would normally be expected to properly consider if there has been a loss and attempt to recover any loss unless there were particular reasons why they should not e.g. advice received indicates that there is no real chance of successfully securing funds or those that should repay the Charity do not have the means to do so and such pursuit would be a fruitless exercise”

Have solicitors been asked to investigate the two obvious ways to seek to recover a loss; either sue the past Conservators and subsequently their Trustees Liability Insurance and if that were not possible and it is found the easement was given at a low cost who benefited, who gained out of a cheap deal? That was the counterpart on the contract, Wandsworth Borough Council, so there may be the prospect of recovery from them. It seems to me that the Conservators that are living in Wandsworth and are Council Tax payers are conflicted and should be recused from any dealings with the matter as they are irredeemably conflicted.

This matter should be looked at before a huge amount of money is spent on a valuation which may or may not demonstrate a loss, and if there is no one to recover that loss from, it would be a waste of money.

JC – The professional advice has been received from more than one party.

### **Brian Rutherford – Putney**

Q – Given that the Charity had received leading Counsel's advice that there is not an obligation to comply with certain provisions of the Charities Act, but there is still a fiduciary duty for a valuation, and we can see from the accounts that there is a disputed fee for a valuation carried out by Montagu Evans, a reputable surveying firm, what is the purpose of going through a further exercise of obtaining another valuation when there is already one on record? Unless that might be because that valuation is not to the Conservators' liking?

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There is such a delay in getting this next valuation that it is either deliberate, grossly negligent or you can't find a valuer that will give you the right answer.

SL – It is fair to say that there has been quite a dispute amongst the Board regarding the Montagu Evans valuation and it was a Board decision that we seek the advice of Charles Russell Speechlys as to whether or not WPCC are liable for the fees that remain outstanding. I don't think there is any more on this issue to be discussed at this point.

Q – There is a difference in being liable for fees and obtaining a valuation - that is two different issues. Here we are a day before the European referendum where we have had lie after lie and counter lies. We are getting it here too, why can you not just be honest tell us what's happening?

SL – The issue is that, unfortunately it has been found that the valuation was not grounded in the full facts of the situation and that is one of the issues that the Board has had to address and why we need to look at obtaining a new retrospective valuation.

SG – It is very important to understand that we need legal advice on whether the Charity is liable for the fees or not. Once that decision is made, then we need to look at it again bearing in mind the advice from the lawyers. I understand your frustration but that is where we are and we have to abide by what our legal advisers are telling us.

### David Devons – Putney

Q - If we leave the EU tomorrow how will it affect the Commons?

RT – One concern is that our Special Area of Conservation designation comes from an EU directive which is endorsed by the UK government. A more pragmatic concern will be the loss of income that is currently received from the Higher Level Stewardship scheme and the Rural Payments Agency as these funds come from Europe. There is a huge concern regarding funding if we leave.

The Chairman drew the meeting to a close and thanked the members of the public for attending. She closed the meeting at 9.15pm.