



## Little Braxted Parish Council

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You are hereby summoned to attend the Meeting of Little Braxted Parish Council to be held in The Braxted Bakery, Witham Lane, Little Braxted on Thursday 20<sup>th</sup> July at 7.00 p.m.

**Gordon Mussett**  
**Parish Clerk**  
**12<sup>th</sup> July 2017**

### AGENDA

- 1. Apologies for absence**  
*To receive apologies for absence*
- 2. Declarations of Interest**  
*For Members to declare any interests in matters on the agenda*
- 3. To Consider any requests from Members for Dispensations**  
*To consider any requests from Members with pecuniary interests for dispensations to enable them to participate on the item in which they have a pecuniary interest*
- 4. To Agree and Approve the Minutes of the Meeting held 27<sup>th</sup> June 2017**  
*To agree and approve the minutes of the meeting held on 27<sup>th</sup> June 2017 as a true record*
- 5. To Invite Members of the Public to speak on Matters Regarding and Affecting the Parish**
- 6. To Consider Whether to Submit an Expression of Interest in the Green Man Public House – attached**  
*To consider whether to submit an expression of interest in the Green Man Public House to receive a financial statement as of 31<sup>st</sup> may 2017*
- 7. To receive a financial statement as of 30<sup>th</sup> June 2017 - attached**  
*To receive a financial statement as of 30<sup>th</sup> June 2017*

**8. To Approve the following payments:-**

To approve the following payments:-

<b>Document Reference</b>	<b>Payable To</b>	<b>In Respect of</b>	<b>£</b>
506	H Bendall	Litterpicking July	£45.60
507	G N Mussett	Clerk's Salary July	£120.72
508	Information Commissioner	Data Protection Renewal	£35.00

**9. Clerks Report – for Information**

*To receive an update from the Clerk*

**10. Closure**

## **ITEM 6**

### **To Consider Whether to Submit an Expression of Interest in the Green Man Public House**

#### **a) The Legal Situation**

The Green Man Public House was registered as an “asset of community value” in 2013. This registration enables a community group (including a Parish Council) to a six-month deferment of sale should an owner wish to dispose of the Green Man. The six month deferment is intended to enable a community group to investigate, and raise funding, should they wish to submit a bid to purchase the property. **It does not require the owner to dispose of the property to a community group even if such a group is the highest bidder.**

The first stage in the process is for a community group to determine, by 7<sup>th</sup> August 2017, whether to register an indication that they will be attempting to formulate a bid for the property. Such a registration places no financial liability upon the community group (other than they may incur themselves in respect of legal advice, etc) but the owner may be able to claim expenses from the District Council if the six month deferment of a sale causes a financial loss.

#### **b) Why Was the Green Man registered as an asset of community value**

The registration of the Green Man as an asset of community value occurred in 2013 (the first such registration in the Maldon District Council area). At the time the public house was seen a failing (if not failed) yet it represented (apart from the church) the only “public” building in the parish.

Since that time the Green Man has a new tenant who is attempting to revive its fortunes and former glory, and the parish as a whole has a new public offering in the form of the Braxted Bakery.

#### **c) What Are the Issues Now ?**

There would seem to be a number of concerns:-

- i) The pub is purchased for conversion to residential use  
Whilst the listing of the property as an asset of community value does offer some protection in planning terms, it is easy in the licensing trade to change a pub's fortunes almost overnight, and thus claim that the property is no longer viable as a pub.
- ii) The pub is purchased to remain as a pub but with an “offer” which is detrimental to the peace of our residents  
Whether the pub becomes a live music venue, or simply attracts a much greater trade through the quality of its offer, there will be an

impact on our residents. The Council already receives complaints regarding the village green being used for overflow parking on rare occasions; thankfully noise has not been an issue to date. However if the pub is to remain viable then trade must be consistently good.

- iii) The field to the rear is developed  
The pub is being marketed with suggestions that the field to the rear could be an option for future development or complimentary business use. Whilst it is the source of many running springs that may not deter some potential developers.

#### **d) What Are the Options ?**

- i) Do nothing  
The Council could simply do nothing and rely on the planning procedure, and other legislation (noise is a statutory nuisance) to prevent any future change of use or development into a venue which affects our residents.
- ii) Purchase the pub  
There would appear to be a number of village community pubs, where the freehold and operating capital has been raised by share subscription, but only one where a Parish has made an outright purchase of the freehold. The Dolphin in Bishampton was saved by £300,000 government loan. Their accounts are attached a Appendix A; although having a larger turnover they are not too far removed from this Council's situation or abilities. Although the freehold is owned by the Parish Council the pub is run by a tenant.
- iii) Encourage or Facilitate a Community Group to Acquire the Pub  
Amongst the large number of community owned pubs is the Green Man in Toppesfield. The Toppesfield Community Pub subscription scheme details are attached as Appendix B.

# Appendix A

## Section 2 – Accounting statements 2016/17 for

Enter name of  
anterior authority here:

**BISHAMPTON & THROCKINGTON PARISH COUNCIL**

	Year ending		Notes and Guidance				
	31 March 2016 £	31 March 2017 £					
1. Balances brought forward	74,288	73,719	Total balances and reserves at the beginning of the year as recorded in the financial records. Values must agree to Box 7 of previous year.				
2. (+) Precept or Rates and Levies	17,903	17,903	Total amount of precept (or for CILs, rates and levies) received or receivable in the year. Exclude any grants received.				
3. (+) Total other receipts	43,479	44,490	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.				
4. (-) Staff costs	4,958	4,946	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.				
5. (-) Loan interest/capital repayments	31,864	31,864	Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (Funds).				
6. (-) All other payments	25,129	23,540	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).				
7. (=) Balances carried forward	73,719	75,761	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).				
8. Total value of cash and short term investments	73,719	75,761	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March. To agree with bank reconciliation.				
9. Total fixed assets plus long term investments and assets	464,097	466,845	This cell shows the value of all the property the authority owns. It is made up of its fixed assets and long-term investments.				
10. Total borrowings	466,055	390,678	The outstanding capital balance as at 31 March of all loans from third parties (including PNLB).				
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	<table border="1"> <tr> <td>Yes</td> <td>No</td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/></td> </tr> </table>		Yes	No		<input checked="" type="checkbox"/>	The Council acts as sole trustee for and is responsible for managing Trust funds or assets. If B: The figures in the accounting statements above do not include any Trust transactions.
Yes	No						
	<input checked="" type="checkbox"/>						

I certify that for the year ended 31 March 2017 the accounting statements in this annual return present fairly the financial position of the smaller authority and its income and expenditure, or properly present receipts and payments, so the data may be:

Signed by Responsible Financial Officer:

*Robert Platt*

Date:

18/05/2017

I confirm that these accounting statements were approved by the anterior authority on:

05/08/2017

and recorded as minute reference:

56)

Signed by Chair of meeting whom approval is given:

*[Signature]*

## Appendix B



### Toppesfield Community Pub Limited

#### What is it all about?

- A community purchase of the freehold of the Green Man.
- Secure and safeguard the future of a key village amenity.
- Gain community control over centre of village.

#### Why do it now?

- Pub has been put up for sale by Admiral Taverns, with sitting tenant until 2015.
- Tenant has no support from Admiral and concern over viability of business.
- If tenant leaves, risk that pub would be run down and efforts made to develop site.
- A closed pub is more difficult to finance than one that is operating.

#### How would it be done?

- Establish a 'community benefit company', Toppesfield Community Pub ('TCP').
- Set up as an Industrial & Provident Society, registered with FSA.
- Raise funding via grants, mortgage finance and a community share sale.
- Need to maximise share sale as it is cheaper than mortgage.
- Assistance from specialist bodies like Plunkett Foundation who have assisted other communities to do this.

#### How does the share sale work?

- Share prospectus issued.
- Subscriptions invited for shares of £50 nominal value.
- Minimum subscription £50 (1 share), maximum £20,000 (400 shares).
- Shares bear interest at initial rate of 3% per annum, paid gross.
- Rate fixed annually based on market conditions and performance of TCP.
- Shares must be held for minimum of 3 years.
- After 3 years shares are eligible for withdrawal, by request to TCP.
- Conditions for withdrawal include 3 months notice period. Withdrawal may be declined or amount reduced if withdrawal threatens future of TCP.
- Share sale may benefit from inclusion under Enterprise Investment Scheme – 'EIS'. This could enable income tax payers to reclaim tax equal to 30% of their investment in TCP.
- We will be seeking Advance authorisation from HMRC for EIS status.

#### Will TCP be viable?

- We have developed cash flow projections as part of a business plan and this shows the project to be viable.
- Income would come from rent from tenant and from maintaining the beer tie. Currently the landlord, Admiral, takes about £23-25,000 out of the business and out of the community. We aim to keep it in the village by buying the pub and helping to improve the quality of the building and the services provided.





## Frequently Asked Questions

- 1. Why should I become a shareholder?**

It is important that as many members of the community as possible participate in the venture and help to raise the funds required to purchase the Green Man. The greater the level of shareholding the more profitable the society will become as the cost of share dividends is lower than the cost of mortgage finance.
- 2. Who will benefit from this venture?**

The community of Toppesfield & Gainsford End and the surrounding area.
- 3. Will the society be viable?**

Based on the current status, we believe the rental income and the income from the sale of beer to the tenant will comfortably support the business model we propose and will provide a surplus for contingencies.
- 4. Who is organizing this? Do they have a personal interest in the pub?**

The steering group currently comprises a group of 7 volunteer parishioners - James Blackie, Alan Collard, Dave Dyson, Mike James, John Levick, Brian Moody, Peter Moore.  
They will have the same financial interest in the society as all other investors. The steering group has a range of relevant skills.
- 5. Are there restrictions to becoming members?**

Members must be aged 18 or above. There is no requirement to be a resident of Toppesfield.
- 6. Is there a difference between being a member and a shareholder?**

There is no difference between being a shareholder and a member. The purchase of the minimum subscription automatically confers membership.
- 7. What voting rights would I have?**

All members have one vote, regardless of how many shares they have bought. This is an underlying concept of the Industrial & Provident Society structure.
- 8. If I invest do I take on any other liability?**

No. Your liability is limited to your investment.
- 9. Will there be any changes in the way the pub is run?**

It is important to remember that the day-to-day pub business and the associated risks remain with the tenant. The society and its management committee will not be running the business. However the society will expect to have regular meetings with the tenant to discuss how the business is going and act as a channel for suggestions from members and customers.
- 10. Are there limits to how much I can invest?**

The minimum investment is £50 and the maximum is £20,000.
- 11. Can my investment increase in value?**

Shares in the society can never be worth more than their nominal face value. If the business fails, the value could fall. (See 14. Below)
- 12. Can I sell my shares?**

Shares in the society cannot be sold. They are a special sort of share known as 'community shares' and the only way you can recover their value is to apply to the society to withdraw any shares.
- 13. How can I get back my money?**

You must hold your shares for a minimum period of three years after which time you can apply for your shares to be withdrawn. The management committee will determine, based on the liquidity of the society at the time, the extent to which shares can be withdrawn.

**14. What happens if the society fails?**

If the unlikely event that the society fails, all the assets would be sold and the proceeds of the sale would be used to repay any debt (e.g. mortgage). Thereafter, shareholders would be repaid and any remaining surplus would be put to community use. The assets of the society, if the purchase proceeds, will include the Green Man building and its surrounding land.

**15. How does the share issue work and what guarantees do I have for my investment?**

The company that will be established is an Industrial & Provident Society for the benefit of the community. It operates on the basis of 'one member, one vote'. This should be viewed as a long term investment for community benefit. It is not the same as investments made in 'for profit' enterprises where investors hope to share in success through both dividends and capital appreciation. Whilst the shares in the society will pay interest, the underlying value of the shares cannot increase and could be reduced if liabilities exceed assets. However, as the society is a 'corporate body' there can be no further liability for investors. The shares cannot be sold but withdrawal can be requested after a minimum of three years after the date of the share issue.

**16. By investing am I not just simply supporting the current tenant?**

No. Investment in the society will support the society's business and the stability of the community over the long term. We will be supportive of the tenant but he will be responsible for his business and all the risks associated with it. He will have obligations to the society under his lease and will continue to deposit a bond with the society, as he does with his current landlord, as security for his liabilities to the society.

**17. As a shareholder will I have a say in the way the pub is run?**

The day-to-day business of the pub will continue to be the responsibility of the tenant, not the society. However, the management committee will meet regularly with the tenant to discuss issues including business performance and will make recommendations and suggestions, in part based on comments from members and the customer base. The committee will act as a channel for comments from customers and members. The society will hold regular meetings with members including an Annual General Meeting.

**18. I would like to support the society's efforts but am not sure I can currently provide financial support. Can I help in other ways?**

Yes. If we are successful in acquiring the pub, practical help will be needed to carry out planned improvements. This will help us to contain costs. Also we would welcome any assistance with fund raising. Perhaps supporters could arrange quiz evenings, table-top sales, sponsored activities etc.

**19. What are the planned projects you mentioned above?**

At this stage the steering group has identified a small number of projects it believes would be possible to implement in the near future. Some will be required for safety reasons, others to improve the quality of the pub. These include improved toilet facilities, extended and improved dining area and a more attractive and welcoming entrance to the pub.

**20. Has this sort of thing been done elsewhere?**

Yes. There are a number of existing community pubs; none has closed. Currently there is a number of communities seeking to do this. Locally in Essex, The Norton, in Cold Norton is in the process of a share issue. Elsewhere, for example, the George & Dragon in Hudswell, Yorkshire had a successful share issue raising nearly £230,000 from about 150 investors. They now have a waiting list of investors.

**21. What happens on the death of a shareholder?**

In accordance with the law any shareholder may nominate a person or persons to whom their property shall be transferred on death. Such nomination will be valid to the extent for the time being provided by the law and on death the society will in accordance with the law transfer or pay the value of the shares to the nominated person.

**22. Will there still be a beer tie for the tenant?**

Yes, this is necessary for tax reasons and because it will enhance the viability of TCP.

**23. Will the beer be cheaper if the community owns the pub?**

The price of the beer and all other drinks sold in the pub will continue to be the responsibility of the tenant.



- 24. Can companies invest in TCP?**  
Yes, subject to the same limitations as all other investors with regard to minimum and maximum amount that can be invested and the minimum investment period.
- 25. Can you explain how the Enterprise Investment Scheme works?**  
TPC will at the appropriate time seek Advance Authorisation for the share sale to fall under the auspices of the Enterprise Investment Scheme ('EIS'). Basically the EIS is a means by which individuals are encouraged to invest in start up enterprises by receiving a tax break on their investment. EIS allows for eligible investors (income tax payers) to claim back from HMRC 30% of the amount of their investment provided the shares are to be held for a minimum of 3 years. We are unable to give specific advice and we recommend that for further information speak to HMRC, your accountant or another suitably qualified person.
- 26. Will TCP have to pay VAT on the purchase price?**  
We are seeking clarification from HMRC on this topic. However our belief is that if there is a transfer of business, then VAT will not be charged on the sale price. This will have important cash flow considerations.
- 27. What price do you think Admiral will sell the Green Man, given we all feel £325,000 is too much?**  
We do not wish to discuss publicly the price we believe is appropriate nor the price we believe Admiral may sell at. However we would seek the lowest possible price and certainly considerably less than the asking price.
- 28. Are there any immediate requirements for expenditure on the pub, for example for safety issues?**  
This is something we will look at carefully.
- 29. Who will be the licence holder?**  
This is something we will be looking into in greater detail as things progress and we will seek expert advice. Our belief is that it should not be a major problem.
- 30. The pub is open and functioning so why do this now?**  
The concern is that with lack of support from Admiral the current and any future tenant would struggle to have a profitable business and the pub may close. Once closed it is far more difficult to obtain funding for a pub purchase. This is all about securing the pub for the long term.

**ITEM 7****To receive a financial statement as of 30<sup>th</sup> June 2017****INCOME**

<b>Date</b>	<b>Document reference</b>	<b>From</b>	<b>In Respect of</b>	<b>General Administration £</b>	<b>War Memorial £</b>	<b>Other £</b>	<b>VAT £</b>	<b>Total £</b>
28/04/2017		Maldon District Council	Precept	£ 3,125.00				£ 3,125.00
02/05/2017		HMRC	VAT Refund				553.67	£ 553.67
<b>Total for Year</b>				<b>£ 3,125.00</b>	<b>£ -</b>	<b>£ -</b>	<b>£ 553.67</b>	<b>£ 3,678.67</b>

## EXPENDITURE

Date	Document Reference	Invoice Reference	Payable To	In Respect of	Clerk's Salary £	Elections £	Subscriptions £	Audit Fees £	Insurance £	War Memorial £	Information Commissioner £	Transparency Fund £	Housing Needs Survey	Village Fete £	Litter Picking £	Other £	Total Net of VAT £	VAT £	Total £
18/04/2017	492		G N Mussett	Clerk's Salary	£ 90.72												£ 90.72		£ 90.72
18/04/2017	493		H Bendall	Litterpicking											£ 37.60		£ 37.60		£ 37.60
18/04/2017	494		EALC	Annual Subs			£ 61.75										£ 61.75		£ 61.75
18/04/2017	495		AON	Insurance Premium					£ 347.74								£ 347.74		£ 347.74
18/04/2017	496		McAfee	Virus Check Renewal								£ 79.16					£ 79.16	£ 15.83	£ 94.99
23/05/2017	497		SALC	Internal Audit				£ 135.00									£ 135.00	£ 27.00	£ 162.00
23/05/2017	498		H Bendall	Litterpicking											£ 45.60		£ 45.60		£ 45.60
23/05/2017	499		G N Mussett	Clerk's Salary	£ 90.32												£ 90.32		£ 90.32
26/05/2017	Cash		Post Office	Stamp				£ 1.86									£ 1.86		£ 1.86
27/06/2017	500		HMRC	PAYE/NI	£ 150.40										£ 9.20		£ 159.60		£ 159.60
27/06/2017	501		G N Mussett	Clerk's Salary	£ 120.72												£ 120.72		£ 120.72
27/06/2017	502		H Bendall	Litterpicking											£ 37.60		£ 37.60		£ 37.60
27/06/2017	503		G N Mussett	Litterpicking Warning Sign											£ 76.88		£ 76.88	£ 15.38	£ 92.26
27/06/2017	504		A Stow	Installation of Defibrillator Cabinet												£ 180.00	£ 180.00		£ 180.00
27/06/2017	505		The Green Man	Electricity for Defibrillator Cabinet												£ 25.00	£ 25.00		£ 25.00
<b>Total for Year</b>					<b>£ 452.16</b>	<b>£ -</b>	<b>£ 61.75</b>	<b>£ 136.86</b>	<b>£ 347.74</b>	<b>£ -</b>	<b>£ -</b>	<b>£ 79.16</b>	<b>£ -</b>	<b>£ -</b>	<b>£ 206.88</b>	<b>£ 205.00</b>	<b>£ 1,489.55</b>	<b>£ 58.21</b>	<b>£ 1,547.76</b>

<b>BUDGET ANALYSIS</b>						
<b>2017/18</b>	<b>Budget</b>		<b>Figures are net of VAT</b>			
<b>Item</b>	<b>£</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Net £</b>	<b>%age Budget Spend</b>	<b>Notes</b>
Clerk's Salary	£ 1,900.00		£ 452.16	£ 1,447.84	23.8%	
Subscriptions	£ 65.00		£ 61.75	£ 3.25	95.0%	
Audit Fees	£ 85.00		£ 136.86	-£ 51.86	161.0%	
Insurance	£ 340.00		£ 347.74	-£ 7.74	102.3%	
War Memorial	-£ 81.00			-£ 81.00	0.0%	
Information Commissioner	£ 35.00		£ -	£ 35.00	0.0%	
Grass Cutting	£ 380.00		£ -	£ 380.00	0.0%	
Hall Hire	£ 300.00			£ 300.00	0.0%	
Transparency Fund			£ 79.16	-£ 79.16	#DIV/0!	Restricted funds
Other	£ 200.00		£ -	£ 200.00	0.0%	
Election Fees	£ 15.00			£ 15.00	0.0%	
Remembrance Day Parade	£ 220.00		£ -	£ 220.00	0.0%	
Parish Plan	£0			£ -	#DIV/0!	Restricted funds
Village Fete	£0			£ -	#DIV/0!	Restricted funds
Litterpicking			£ 206.88	-£ 206.88	#DIV/0!	Restricted funds
Defibrillator	£0		£ 205.00	-£ 205.00	#DIV/0!	Restricted funds
Other	£0			£ -		
Precept	-£ 3,125.00	-£ 3,125.00		-£ 3,125.00	100.0%	
VAT Refund	-£ 100.00	-£ 553.67		-£ 100.00	-100.0%	
<b>Totals net of VAT</b>	<b>£ 234.00</b>	<b>-£ 3,678.67</b>	<b>£ 1,489.55</b>	<b>-£ 1,255.55</b>		
VAT		£ -	£ 58.21	£ 58.21		
<b>Totals inc VAT</b>		<b>-£ 3,678.67</b>	<b>£ 1,547.76</b>	<b>-£ 1,197.34</b>		

# RECONCILIATION



MR GORDON MUSSETT  
25 EBENEZER CLOSE  
WITHAM  
CMB 2HX

MG 1 993 HUB2956A 00007 36306 9948 1437249817

LITTLE BRAXTED PARISH COUNCIL  
Sort Code 20-97-40  
Account No 20189405  
SWIFT: BARCGB22  
IBAN GB44 8406 2007 4820 1084 85  
Issued on 3 July 2017

## Your Community Account

Date	Description	Money out £	Money in £	Balance £
1 Jun	Start balance			5,621.00
	Cheque issued Ref: 100497	162.00		5,459.00
16 Jun	Cheque issued Ref: 100498	45.60		5,413.40
30 Jun	Cheque issued Ref: 100501	120.72		5,292.68
	Cheque issued Ref: 100502	92.26		5,200.42
30 Jun	Balance carried forward			5,200.42
	Total Payments/Receipts	420.58	0.00	

Anything wrong? If you notice any incorrect or unusual transactions, see the next page for how to get in touch with us.

At a glance  
01 – 30 Jun 2017

Start balance	£5,621.00
Money out	£420.58
Commission charges	£0.00
Money in	£0.00
Gross interest earned	£0.00
End balance	£5,200.42

Your deposit is eligible for protection by the Financial Services Compensation Scheme.

Over the next few months you may notice a change to the numbering of your statements. For each of the accounts you hold, the page numbering will start from page 1. The issue date of the two right-hand corners of the statement will remain the same.

Barclays Bank PLC Registered in England. Registered No. 1026167. Registered office: 1 Churchill Place, London E14 4EU

### BANK RECONCILIATION

statements. Please be aware you may receive this message more than once.

<b>As at 31/03/17</b>	
Petty Cash	£ 2.44
Barclays Bank	£ 3,002.57
<b>Total</b>	<b>£ 3,005.01</b>
Less Uncashed Cheques	-£ 337.12
<b>Total</b>	<b>£ 2,667.89</b>
Add Income for year	£ 3,678.67
Less Expenditure for year	-£ 1,547.76
<b>Total</b>	<b>£ 4,798.80</b>
<b>As at 30/06/17</b>	
<b>Represented by</b>	
Petty Cash	Page 1 £ 0.58
Barclays Bank	£ 5,200.42
<b>Total</b>	<b>£ 5,201.00</b>
Less Uncashed Cheques	-£ 402.20
<b>Total</b>	<b>£ 4,798.80</b>