

Glendale Gateway Trust board meeting
Wednesday 26 February 2020
7pm at The Cheviot Centre

Present: Patrick Sheard, Julian Bales, Bill Eugster, Shirley Mills, Cindy Thatcher- Wait, Tom Johnston, & Rachel Sinton.

1 **Apologies:** Mark Robson & David Bull

2 **Declarations of Interest:** Patrick – local accommodation provider & Cindy– local accommodation provider and tenant of the GGT.

3 **Questions from members/members of the public:** There were none

4 **Minutes of the previous meeting:** Patrick asked to have his name added to the apologies for the November meeting. These were then **agreed & signed.**

5 **Matters Arising:**

1. VAT update on deregistration – a form has been sent saying we wish to revoke the option to tax – this can be done twenty years after commencement of occupation; i.e. this year.- This will result in no VAT being charged to tenants and hirers of spaces at the Cheviot Centre. For most this will see a decrease in the amount they pay. Our request to deregister was refused – but we will apply again next year. One anomaly has arisen over VAT on Drop-In rent – this is being looked into and resolved.
2. Official opening of the Newcastle Building Society – this was a great success with lots of people attending and good coverage in the local press – plus an item on the Radio 4 Money Box programme.

6 **3rd Quarter Financial results:** Julian outlined changes to the format on asset income and expenditure, compared with the second quarter report. The Cheviot Centre kitchen grant is now treated as a restricted fund together with the same figure for costs. The 'overspend' on this and the foyer is included in Cheviot centre premises costs. Overall the total likely outturn remains a small surplus (4.5K).

7 **Budget for approval 2020 – 21:** The 20/21 budget as circulated beforehand was discussed and **agreed.** It shows a marked recovery in assets income when viewed against the 19/20 probable outturn, and as in the last two years, contains an element of risk.

The main activity in capital funds, the ex-Barclays Bank development, now shows total funding including bonds of 310K, compared to an expected spend (top 2 floors only) of 325K.

8 **Cheviot Centre future rental strategy:**

- Room hire charges last went up in 2013. A small increase would still keep them in line with other local halls etc. It was proposed that local groups increase by 50p/hour – from £8 - £8.50. The U3A has a preferential rate which will also increase by 50p – from £7.50 - £8.00. Business users will increase from £12.50/hour to £14.50. It was **agreed** to implement these increases from April – with a letter being sent this month to all regular users informing them of the increase.
- We have not had regular increases on office rents. Some pay less per square foot than others – though there has been some levelling up recently. The RVS have not had an increase since moving in - in 2012. This needs to be handled very delicately as the suggestion of an increase might make them think about leaving all together, which they have done in other areas. Tom will look at options and discuss with their office manager.

RS

TJ

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- There was some discussion on how to implement a regular rent increase – it was eventually **agreed** to have an annual increment linked to the CPI – plus 1%. This should result in fairly small increases that are easy for tenants to understand. Several of our anchor tenants however have leases where any increase is in the lease. Tom will check the current situation with all tenants and let trustees have more information.

TJ

- 10 **Barclays bank update**: Trustees had a look at progress in the building prior to the meeting. A detailed report of progress had been circulated prior to the meeting. The Ferguson's have expressed an interest in acquiring the freehold of the ground floor – as they prefer this to renting properties. The GGT would be unable to offer them the whole building due to funding sources – but the possibility of selling the ground floor was discussed at length. The trust has several assets but it is revenue that is important to secure the future – this comes from regular rental payments rather than a one off capital sum. Julian reminded the meeting that private ownership is one of the major problems for High Streets with Berwick being a prime example. It was agreed that the trust currently retained the desire to rent not sell – and will continue to explore all options.
- 11 **Update from CEO**: Report sent prior to the meeting. The meeting with Guy Opperman MP is no longer going ahead – this had been to discuss leader and the future of local funding. £5,000 has been received towards the e-learning development of the old GAS office. GGT is still offering some support to the co-housing project.
- 12 **Opportunities & PR action**: An open day at the new Barclays flats was suggested. Might there be a story in the revoking of VAT? Bill told the meeting that the community food garden would soon be moving to the WPC farm field site. Several allotment plots have already been spoken for. Patrick & Tom had a meeting with Karl McCracken from Northern LEP – looking at helping to upskill the local workforce. His role is to promote local enterprise – can the trust help with this – by providing a facility and support of people at the beginning of their business journey? A visit to Durham to look at a large scale version of this might be in order. An interesting idea to maybe explore further.
- 11 **Next meetings**:
Policy – Monday 23rd March – 2pm at the Cheviot Centre
Board – Wednesday 20th May – 7pm at the Cheviot Centre

The meeting closed at 8.50pm