

Unlock Democracy Council Meeting
2nd Floor 33 Corsham Street London N1 6DR
14 December 2019 11 am- 4 pm
MINUTES

Present: Jack Maizels, Vicky Seddon, Alex Runswick, Peter Hirst, John Franglen, Rachel Collinson, Tim Rouse, Sam Coates, Phil Starr, Trudie Kee, Jess Metheringham, Matthew Hull

Present by phone: Stephen Carter, Mike Trace, Danny Zinkus-Sutton,

1. Apologies, Minutes and Matters Arising

i) Apologies were received from Ian Driver, Debbie Chay, Andrew Blick and John Ferguson.

ii) Council minutes for approval

Vicky Seddon suggested that we add the date that decisions were approved on meeting records.

Decision: The minutes were approved nem con

iii) Management Board minutes for information

The minutes were noted and no questions were posed on the minutes.

iv) AGM minutes for information

A number of corrections were made to the AGM minutes.

iv) Matters Arising

Vicky Seddon gave some feedback on the AGM. Three points were made.

1. When members send in motions for the AGM she requested that they should not be amended in any way.

2. The advice on writing motions should be amended to say the suggestion on writing that should be relaxed for it to not be compulsory.

3. The time limit on speeches should be relaxed. It is a matter for the chair to decide, and should be agreed by the meeting.

A discussion was had on these points.

2. Finance

Phil Starr gave a Hansard back rent update and asked council members to refer to previous Management Board minutes for further details. He had been in correspondence with Lord Sharkey and Debbie Chay had done a detailed rebuttal. Phil updated council that he has still not had a response from Lord Sharkey. He anticipated that the next report would be that the first payment has been made.

i) Statutory accounts

Alexandra Runswick introduced the statutory accounts and opened the meeting for questions. A clarification was made on what the subscriptions line was from John Franglen and it was suggested that changes need to be made to these.

Alexandra Runswick flagged a query to change list of directors and to check the Social Security and Pension costs.

Mike Trace asked if the minutes had been passed at the AGM but it was clarified that the decision was deferred to this council meeting.

Jessica Metheringham asked for more information on how accurate do the accounts have to be to pass them, when are they due normally and what other opportunities do council have to pass them.

Alexandra Runswick suggested to identify the issues and approve them subject to the resolution of questions raised and clarified that the deadline is the end of the calendar year and that approval can be given by email.

Mike Trace expressed discomfort at signing off accounts that still have errors in them.

There was a discussion around timelines and agreement made that Tuesday would be the closest day to get the accounts signed off.

Jack Maizels clarified the process for council members. He suggested that members go through the accounts, submit questions via council email address and once those questions have been answered they can be resolved with the auditors.

There was a discussion about Companies House fines and an agreement made that Council would rather risk the fine to have complete accounts.

Alexandra Runswick asked Danny Zinkus-Sutton if he could take over and make sure that the accounts are submitted after her last day on Friday.

Danny Zinkus-Sutton reassured council that he is chasing Arti about the accounts being late.

Alexandra Runswick explained that the initial delay was with us but was exacerbated by sickness with the auditors.

Decision: The approval of accounts will be deferred whilst council members write questions over the weekend with the aim that changes can be made by Tuesday. If this does not happen we will risk the Companies House fine.

ii) Updated budget

Alexandra Runswick apologised for the lack of updated budget not being present. She said that because of challenges with Finance, we haven't been able to produce the budget for the meeting because of the lateness of statutory accounts.

She gave a brief rundown and said she will endeavour to circulate it this week. The main changes being a new small grant for BCSA, the staffing costs go down with Alex leaving and we will lose some of another BCSA grant because of that.

There was a discussion and clarification on the deficit budget in place and how membership has brought changes to the budget.

Tim Rouse pointed members to the membership report. Postal mailings have not improved consistently on previous mailings.

Phil Starr acknowledged that everyone was working hard to address the issues with accounts, especially management board and chairs.

3. Rodell Update

Phil Starr introduced the Rodell update and clarified what Rodell is for newcomers. He noted that Rodell is still waiting for planning permission. The total assets the company are £9m, with debts of £1m. He explained that these debts were incurred after a financial crisis and regaining cash flow alongside borrowed money to redevelop. Rodell have quadrupled income in Cynthia Street and are redeveloping Grays Inn Road. He clarified that the top floor is residential and the bottom a commercial retail unit. They are expecting a profit of £2m from the residential development and £60k a year from the commercial unit. Of this money, £1m will be used to pay off debt and £1m to reinvest. He gave these figures perspective by clarifying that at the moment Rodell generates £200k p/a.

Phil Starr stated that Rodell has had a bad trading year, where a tenant left and they struggled to relet it, making a loss. We are now fully let at Cynthia Street so we are looking at a small surplus next year of £28k. The downside for Unlock Democracy is that Rodell isn't likely to be able to give any extra money to Unlock Democracy at this stage. Any surplus in the future will go towards paying back debt for Rodell. He reassured members that once Grays Inn Road is finished we will be about 100k better off.

Rachel Collinson asked if Rodell have a Risk Mitigation Strategy for Cynthia St.

Phil Starr explained that Rodell deliberately went for a longer lease with a long-standing tenant.

Stephen Carter expressed that a resolution at Grays Inn Road is critical and asked for a timeframe with key bullet points of information.

Action: Phil Starr agreed to resend the timeline for Rodell to Stephen Carter. and gave further information about the planning application.

He updated members that the Section 106 agreement has been approved and will be signing documents and the planning permission should come after. The next Rodell board meeting will be in January.

Tim Rouse highlighted the issue that Demand Democracy campaigning had brought in ethical questions.

Phil Starr acknowledged that they are aware and have had discussions on the matter and have rejected proposals on ethical ground before.

Action: Phil Starr agreed to put together an ethical statement from Rodell.

Rachel Collinson made a statement about the act of owning property in London, making the argument on the basis it is unethical.

4. Director's report

There was a discussion around the Labour for a Democratic Society campaign and how that would change given the general election result and subsequent leadership change.

There was a discussion around Unlock Democracy's links with the SNP and the constitutional opportunities that might arise if Scotland were to leave the UK.

Rachel Collinson suggested that there will be many strong local campaigns under the new Conservative government and Unlock Democracy could take advantage of that.

Jack Maizels proposed that we go into this in detail at next council in March.

5. Strategic Indicators

Alexandra Runswick introduced the paper.

Jessica Metheringham asked about a monitoring strategy. Alexandra Runswick replied that they normally go in the Director's report, which has not been provided for this session.

Action: Chairs to work with staff to reflect on monitoring outcomes and reporting.

6. Reserves Paper

Rachel Collinson introduced the paper. She stated that she had looked at our existing reserves policy and suggested that it wasn't useful for making decisions. She said that this is a useful juncture in the organisation's progress to take stock and re-evaluate our reserves policy. There needs to be a balance between risk mitigation in the reserves policy and ensuring that opportunities are not lost because money is not spent when it should be invested in our work.

Jack Maizels clarified that this is a discussion point.

There was a discussion about using reserves to react quickly in this current political climate. Phil Starr spoke to the benefits of having reserves to prepare for the future for example with recruiting more team members.

There was a discussion about the risks of having low reserves. Danny Zinkus-Sutton suggested that some of these risks include ordinary business continuity risks; 'controversy' risk (if we see donation income drop immediately); being able to contest legal restrictions on our right to campaign (gagging law restrictions, etc.); risk that budgeted income doesn't materialise; 'operational risk' (so we can invest heavily if operational situation changes); death/injury etc. of staff members; major changes in government policy.

Jess Metheringham spoke to her experience of grant-funding bodies stating that it is important to have a reserves policy because it says a lot about the financial capability of an organisation.

There was a discussion about investing for grant fundraising as a means to generate additional income.

Jack Maizels pointed to his 'next steps' paper where there is a suggestion to re-establish the Fundraising Working Group mooted in my 'next steps' paper would help address this.

7. Staffing update and arrangements for January and beyond

Council reaffirmed their support for the current strategy and noted that now is not the time to be changing course.

Council noted the paper submitted by Jack Maizels. He responded to questions from Council and expanded on the themes in it to explain in more detail the issues that the organisation had encountered in recent times. Council welcomed the proposals for the stop-gap and the idea of interim recruitment as put forward by Management Board. They broadly welcomed the suggestions for organisational improvement.

There was some interest expressed in the Fundraising Working Group in particular and meeting in the new year. Council also wanted to record their thanks to the Chairs for the work done in recent months since Alex's announcement.

Council agreed that these would require lots of input from staff and expressed their desire for clear processes being established for how staff would be involved

Council noted and welcomed the unionisation of staff in 2019. They noted that Unlock Democracy's staff have not previously unionised, and encouraged reps and the those within the organisation's management structures to work together to build clear and shared expectations of communications, process and decision making.

Jack Maizels explained that the Union reps had drafted a paper on the issues above from the staff's perspective and why he hadn't shared this with them in advance, before outlining its contents and offering to share the paper after the meeting. Council agreed to see the paper and to give any feedback or thoughts they have to the Chairs and Management Board who will carry any response forward.

Action: Jack Maizels to send Council the paper from the Union reps.

Jack Maizels provided an update on how Management Board had found the recent process, and suggested additional capacity would be beneficial. Jess Metheringham explained that she had recently finished a project and would be able to help more, and has experience of organisational change that she thought could be useful.

Management Board decided to co-opt Jess to the board in a non-voting capacity (as per 4.1.4 of the constitution) for the duration of the stop-gap to provide that additional support. Jack Maizels also suggested that additional support to help develop better ways of engaging and involving staff would be beneficial. John Franglen, as a former member of UD staff, offered to provide Management Board with advice and support on this matter, which Management Board gladly welcomed.

8. Future meeting dates

Action: Management Board agreed to have a phone meeting before the end of the year (date TBC) to discuss potential interim recruitment options and how best to get the views of staff on the matter, plus any other issues that need to be addressed.

Action: Council agreed to an additional meeting in late January/early February. A doodle poll will be circulated to pick a date.

The next planned Council meeting is set to be on Saturday 28th March 2020.

9. AOB

Jack Maizels gave a personal update and stated that it has led him to the conclusion that he would no longer be able to fulfil his duties as co-chair in the long run. With Danny Zinkus-Sutton's support, Jack Maizels recommended to Council that Rachel Collinson would replace him for the last 6 months of his term.

Decision: Council voted unanimously in favour of the proposal. For the time being, Jack Maizels will continue to serve on Management Board and will be there to make a handover and support Management Board members.