

## Minutes of MCG Committee Meeting December 8th 2018

Present: Russ P, Tom H, Bill C, Dave L, Keith K, Jackie M (committee members)

Together with Brian S, Ben C, Tim F (custodian trustees)

and Steve Porter (legal consultant).

The main purpose of the meeting was to work on the new CIO constitution.

Conversion to a CIO is desirable to:

- Avoid legal and land registry charges on change of trustees
- Avoid protracted timescales when closing and opening investment accounts, when multiple signatures must be obtained (this is perhaps more important than the legal costs above)
- Limit the liability of trustees as much as possible.

The meeting agreed to transfer verbatim, the words defining the charitable object of the MCG from the old constitution to the new constitution. There was some discussion about the merit of the words but it was felt easiest to leave them alone to smooth the route to adoption of the new constitution. There are several sources of content for the new constitution:

- The old constitution
- A model constitution from the charities' commission
- New material arising from our desire to make a practical constitution for the future of the MCG.

Steve went over the state of the draft of the new constitution and highlighted the main areas that need further work. These, together with some other issues identified in the meeting are:

1. The need for and role of trustees, in addition to the committee
2. The need of a guard against any conflict of interest issues when trustees or committee members do paid work for the MCG (labour costs only, not materials which would be reimbursed as expenses)
3. The need for financial constraints on the committee to minimise the risk of misconduct
4. The need for an investment administrator
5. The need for a 'cave responsibly' section and 'use the club facilities responsibility' section.

We discussed these in turn (at some length).

1. Those present felt that it would be useful to have trustees, separate to the committee, to provide some oversight to the actions of the committee. This role is a departure from the old constitution where the trustees are solely responsible for holding the land registry deeds for the cottage and being signatories for the MCG's investment accounts. With the old constitution, the day to day running of the club is handled only by the elected committee. The old constitution describes in some detail how the 'Custodian' trustees are appointed and replaced. For the future, the meeting suggested that four new trustees be elected/re-elected annually at the AGM with an anticipated minimum term of four years. Non-re-election would be the normal means of removing an inactive trustee. The new trustees should be long serving members of the club, normally ex committee members. It was proposed that they have a controlling authorisation over any sale or mortgaging of the

cottage the cashing in of investments and the winding up of the MCG. Further it was suggested that they should be required to authorise unusually large financial transactions (there has been financial misconduct within the history of the club). There is some detail, to be resolved with Steve Porter, about whether the Secretary and Treasurer also need to be trustees in addition to being committee members. This may be necessary to satisfy the requirements of the charities commission. **ACTION** Steve Porter to look into this.

2. We debated the issue of whether it was appropriate for committee members ever to undertake paid labour for the MCG – doing so represents a conflict of interest. There is a concern that a rogue committee might take financial advantage of the MCG. Steve has already written some protection into the draft of the new constitution whereby any decision about paying a member for labour would be taken by the committee in the absence of that member. It was further suggested that such payments should also need the approval of the new trustees. We do not want the new constitution to prohibit such payments in case for example, a trusted tradesman on the committee can offer ‘mates rates’ to the MCG. If there is a large job of work to be done, such as re-roofing, it might be unreasonable for it to be done without remuneration.
3. The meeting proposed that financial expenditure by the committee without approval of the new trustees be limited to £1K or 10% of the previous year’s income. That £10K or 100% of the previous year’s income could be spent with trustee approvals but without an AGM/EGM vote. If the expenditure is more than that, then a majority EGM/AGM vote should be required. There are some practical issues to work out here. Steve Porter, Tom Harrison and Bill Chadwick took an **ACTION** to work on the precise limits to be included in the new constitution. If absolute financial limits are included in the constitution then it should include an easy way for an AGM/EGM to amend them in the future. It was noted that the Treasurer should be able to pay bills for services (gas, sewage etc) without authorisation by the trustees since the MCG has a liability to pay these. These liabilities should be listed and reviewed as part of the AGM process.
4. The meeting proposed that a new non-committee post be created for an Investment Administrator (not manager). Ben Cooper is **ACTION**ed to establish what signatory requirements our existing investment holders would need following the transition of MCG to a CIO. It may be that some investments would have to be consolidated or moved to enable them to be held by the MCG as a CIO.
5. It is suggested that the details of responsible caving and use of the cottage and facilities be included in a new set of Rules rather than be part of the constitution. The constitution would require members to comply with the Rules. A Rules document already exists and will need to be updated alongside the constitution. It should include much of the material about cottage use that is issued to guest groups.

On other business, the committee members present voted, with one abstention, to approve a request for the collection of a small number of scientific samples in Upper Flood. Gina Mosely of the University of Innsbruck made the following request.

*"I am contacting you as the conservation officer for the MCG (and I therefore presume Upper Flood of the University of Innsbruck cave). As you may or may not be aware, over the last year I have run a competition with the BCRA to get cavers looking for small calcite crystals that form through cryogenic processes. A number of these cryogenic cave calcites (CCCs) were found in Upper Flood cave (<http://british-caving.org.uk/phpBB3/viewtopic.php?f=43&t=1453>) at the Pork Pie/Neverland junction.*

*If possible I would now like to seek permission to collect some of these crystals, which is my reason for contacting you. There are three aspects to this: (1) as guardians of Upper Flood, is the MCG happy for me to collect some samples? I envisage taking 10-20 individual crystals per patch of CCCs, which has a negligible effect on the aesthetic look of the cave. (2) I need permission from the landowner to collect samples. Would you be able to tell me who this is please and who your contact is? If you prefer, I am happy to liaise with the landowner through the MCG in order to keep a good relationship. I am also happy to liaise on my own. (3) Finally, with the landowners permission I will ask for permission from Natural England since Upper Flood is part of an SSSI."*

Gina has already identified the landowner and obtained their permission and the permission of Natural England. Any collection trip should be accompanied by an Upper Flood leader from the MCG.

The meeting lasted for one and a half hours.

Bill Chadwick 10<sup>th</sup> Dec 2018