

Minutes of Headingley Development Trust Annual General Meeting Held at HEART on Wednesday 27th March 2024

37 members were in attendance and 2 HEART employees. There were 13 apologies

1. Introduction

Alan Beswick (Society Secretary) opened proceedings and thanked members for coming. He outlined the agenda for the evening, highlighting that after the 'procedural' part of the AGM the second half of the meeting was focused on looking to the year ahead.

2. Minutes of the 2022 AGM

These were approved as an accurate record.

3. Overview of the Year

Alan gave a review of the year and began by thanking John Hall and the various contributors to the Annual Report which was, as usual, a pleasure to receive and to read. Rather than repeat what was in the report he said he would highlight a few key actions from last year's meeting and then pick out a few topics that had caught his eye from the Annual Report.

While our businesses had all been affected by the cost of living crisis, and rising energy costs in particular, it has been another busy and successful year across our wide range of activities. He noted that in response to member requests the Graffiti Group (now renamed Street Care) had been restarted, as had the monthly Talking Heads series and that the board had been delighted to welcome a new manager of HEART, Pam Reynell, who had been appointed towards the end of the year. Pam would be speaking in Part 2 of the meeting.

Alan also talked about Headingley Homes and referred to the Annual Report which had highlighted that with increasingly marginal financial returns and a growing legislative workload the group was looking hard at whether it wished to retain its landlord function or whether the capital tied up could be used more effectively supporting other types of project within the housing market. Decisions on this would be taken as and when existing tenancies were due to end.

He went on to highlight one of our 'unsung heroes' - the role that the Farmers' Market had played in fostering a sense of community in Headingley in the early days of HDT, arguing that without it, it is doubtful whether any of our subsequent projects and initiatives would ever have come to fruition. The group had also been successful in attracting new, young, members to its organising committee.

He noted that the pressing need to find new people to take on organising roles was a theme across many of our groups and activities. Next year we will be celebrating 20 years of HDT and alongside the well deserved celebrations we will be using the publicity for these events to attract new members who can take HDT forwards for the next twenty years! Sam Schwab would be saying more on this in Part 2.

He closed by noting the tremendous ideas for HEART's outside space that had been developed by the Leeds Beckett Landscape Architecture students at their presentations last year (and which were on display at the AGM) and that we would be looking to take this forwards this year. Again, Pam Reynell would be saying more about this in Part 2

4. Financial Overview of the Last Year

John Chandler outlined our financial position. Group income fell slightly to £793,244 (2022: £814,262), a drop of 2.6%. Operating margins reflected difficult economic conditions and in 2023 the Group made a loss before taxation of £32,971 which represented a small improvement on the previous year (2022: a loss of £34,570)

The Headingley Greengrocer (THG) performed well in a year of continuing tough trading conditions on the "High Street", making a very small loss of £1,215 on turnover of £264,441, compared with an operational loss of £2,944, on a turnover of £282,774, in the previous year. The programme of regular weekly contributions to local foodbanks, established during the pandemic, continued through this year.

2023 was another challenging year for HEART as the energy driven inflation "crisis" affected utility charges for the building in Bennett Road. Turnover dropped slightly to £475,202 from £496,079 in 2022. Overall HEART made an annual operating loss before taxation of £50,644 (compared to a loss of £40,960 in 2022). However, Tiny Boo, which in 2022 had been included within HEART's accounts but is now shown separately, had proven to be a good investment and made a surplus of £15,217 in 2023.

The Group Balance Sheet reflected the impact of the operational losses incurred this year, with a fall in net asset value to £547,902 (2022: £589,343) but, the balance sheet remains very strong and both trading subsidiaries have been able to repay long-term loans to the parent company in accordance with original schedules.

The 2023 Group accounts only tell part of the story of course and HDT continues to have a major impact on our local economy. John estimated a monetary "Value-Added" of just under £1.3 million created to the benefit of the wider Headingley Community (Income + Local Purchases + Local Salaries), a figure very similar to the £1.3 million generated in the previous year

Despite another year of challenges with lower consumer spending, energy driven inflation pressures and rising interest rates in the economy the Board remains comfortable with the long term financial position of the Headingley Development Trust (the HDT Group). John concluded by noting and thanking:

- The loyalty of customers and users;
- The hard work of volunteers and paid staff.

Questions and Answers

There was a question about the wider economic impact of our activities on Headingley and how this was calculated. John explained what was included and went through the calculations. There were no further questions.

5. Approval of Accounts and Appointment of Auditors

- The accounts presented were approved by the members.
- HDT recommended that current auditor, Third Sector Accountancy, be re-appointed for 2024. Members approved this recommendation.

6. Membership and Elections to the HDT Board

Matthew Spence and Archie Wright-Beattie were elected unopposed to the HDT Board for a three-year term.

Alan thanked the directors who had stood down or reached the end of their terms this year – Emma Cosgrif, Ed Manley, Hazel Dimsdale and Isobel Mills. He noted that Isobel and Hazel as Chair and Treasurer respectively had done an amazing amount whilst in post over the last seven years and he was delighted that both will be staying on in other key roles within the HDT 'family' this year.

7. The Headingley Greengrocer

Helen Seymour then talked about the plans for the Greengrocer business. The biggest project began almost a year ago to the day with a call from the owners of the freehold of 50 North Lane – the building housing both the greengrocer business and the Headingley Farm Butchers business – offering us first refusal to purchase the freehold. The purchase had been a long process but was expected to go through in the next couple of weeks and be funded by a combination of mortgage and the remaining uninvested Headingley Investment Fund monies. HDT will take on the mortgage and own the freehold and charge the greengrocer business and the butchers a rent that will cover the cost of the mortgage. Helen noted that while

the purchase would offer security and long term stability to the greengrocer business it would not reduce their outgoings and encouraged members to continue to support the shop. The management team were drawing up ideas about how they could use the upstairs space at 50 North Lane and how they could reduce their energy costs, including the possibility of installing solar panels on the roof.

8. HIF 24

Alan Beswick then talked about emerging plans for a new community share offer (HIF 24). This idea had been driven by a combination of the purchase of 50 North Lane - and the desire to bring down the long term cost of financing it - and discussion at last year's AGM about what our priorities should be for developing a new set of projects for HDT.

Consultation with Co-ops UK/ Community Shares Booster Fund had been very positive they are particularly interested in share offers which:

- Enhance viability of existing community assets
- Support green initiatives
- Encourage new, younger investors into Community Shareholding

We have also sought the views of HIF investors / HDT members / local community and had received around 85 responses to our survey which showed:

- Strong support for the idea of a new fund
- That what is being funded is more important to members than the rate of return offered
- A desire to see it used on practical 'tangible' projects
- But support also for more 'challenging/innovative' projects around energy saving/greening

Based on this feedback the structure of the fund could be something like the following:

- First priority would be around swapping out the 50 North Lane mortgage to something more affordable (the first £100,000 raised for example).
- Second level (if we raised between £100,000- £200,000, say) would be to take forward energy saving/greening options for our current entities - HEART, THG, Headingley Homes
- Anything above this would be held to provide us with readily accessible funds for new projects (as we did for HIF) - ideas already on the table

include supporting the development of skills in retrofitting home energy efficiency improvements in the neighbourhood and a potential cycle repair shop for Headingley

Next steps would be to take it to HIF Development Committee to refine and develop the proposition, undertake financial modelling, prepare offer documentation etc

9. Membership

Sam Schwab talked about ideas to develop our membership offer and attract new members. He noted that our community share offers in 2008 and 2018 have historically seen our biggest growth in membership and that these offers are a reminder that in 2025 HDT reaches an incredible milestone: its 20th birthday and that we need to attract a new generation of people who will engage with, invest in and (hopefully) lead HDT into the next 20 years. So, a big priority for us this year is to work out ways to engage more and more frequently with the membership – and in particular to grow the numbers, extend our reach and foster a better dialogue, attracting more people who use HDT facilities and services to become members and encouraging some of them to help us run things.

As part of this we need to modernise fees to cover core costs and ensure our long term sustainability, with an aim to support an offer back to members in exchange. From 2024/25 we plan to introduce a £10 annual fee for HDT membership.

10. HEART

As the final presentation of the evening Pam Reynell and Fay Clarricoates talked about HEART. They began by setting out the vision and values of the Centre:

- HEART strives to be a vibrant centre for the community of Headingley and beyond, providing opportunities for people to eat meet work and play together.
- We envision a space which provides the freedom for people from all walks of life to have the freedom to test new ideas to learn and influence change.
- We see ourselves as custodians and contributors to a culture that builds resilience adaptability innovation and wellbeing.
- We value and put people first by making and nurturing successful relationships through the warmth and openness of our engagement. We value and embrace difference and authenticity and we value and inspire excellence by nurturing creativity and celebrating success.
- We are mindful of our impact and our responsibility towards ourselves and the planet in which we live.

- We believe in careful and considered communication consultation co creation and collaboration and we believe in being at our best and giving of our best.

HEART has weathered a storm and though still somewhat bruised and battered we still provide the warm welcoming space we are famous for. **Our Focus for 2024** Is to bring our financial position out of deficit and to break even as a minimum result by the end of the year. We hope for more and that we will see an increase in revenue across our income streams to provide a small surplus by the end of the year. The strategy for achieving this is

- **Raising our profile and position** - Using social media and platforms advertising venues, we are aiming to let more people know who and where we are.
- **Raising our prices** - We have gently raised our ticket prices for events and from April 1st our room hire rates will also go up a modest %
- **Reimagining our offerings** - We are seeking to innovate and offer new ways to enjoy HEART, this includes our supper clubs, games nights and spring board markets.

Over the next two years we will be looking to take forward:

- **A new look outside** - We are reimagining the space we have outside that wraps around the building. Aply supported by students from Leeds Beckett university we have lots of new ideas and possibilities for making the most of our real estate.
- **Refurbishment of the fabric** - More than 12 years after HEART opened its doors as a community centre, its time to refurbish those doors and the interior with a lick of paint and some new fixtures and fittings. These range from a walk in fridge for the kitchen to new crockery and cutlery in the café, and chairs both inside and out.
- **Retro fitting to improve our energy efficiency** - The cost of energy alongside our mission to make our centre as environmentally sustainable as possible, means we have big plans and high hopes. These include exchanging our boilers for heat pumps, and ensuring our insulation, solar panels rainwater harvest and waste water systems are upgraded

In order to achieve our vision for the future we need to focus on a multi- pronged approach to sourcing funds

- **Grant applications** - We are in the process of applying for grants to support our energy and retrofitting ambitions and so far have secured ourselves an independent energy assessment to provide us with recommendations on which to base our applications.

- **Fundraising events** - The next two years will see a series of events and drives to raise awareness and momentum. Utilising our annual events like HEARTFEST and new opportunities like OPEN gardens
- **Appealing for contribution and donations** - As a new strategy we will be approaching local business to see whether they would be interested in supporting us as part of their own corporate social responsibility initiatives.

11 Questions and reflections

The presentation on HEART was very warmly received. There was a question about what had happened to the planning application for the playground last year (Alan Beswick explained that it had been unsuccessful but that that we had been given advice and encouragement on how to re-submit a revised application). Members also wondered if there was scope for Tiny Boo to be relocated towards the back of the building to take advantage of any opportunities for re-developed play space behind the building.

There was a discussion about the upstairs space at 50 North Lane – what it consisted of and what it could be used for - and support was expressed for the way that HIF 24 was shaping up. There were also questions around the implications for membership numbers if we introduce an annual charge. In response to the latter it was acknowledged that we would probably lose some members (although it was stressed that no existing members would be required to pay if they were unable or unwilling to do so) but that if it resulted in a smaller core of members who felt more engaged in the decision making and running of our activities this would be no bad thing.

At 20:40 Alan Beswick closed the meeting by once again thanking those who had attended, and all HDT's other members, for their support.