

**MINUTES of the EXTRAORDINARY GENERAL MEETING**  
**of**  
**The Sussex Archaeological Society**  
**held at**  
**The Rudkin Room, Fishbourne Roman Palace ("FRP"), Chichester**  
**commencing at**  
**10.31 a.m. on Saturday 18th January 2020**  
**(the "Meeting")**

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PRESENT: Mr Richard Akhurst, Ms Helen Anson, Mr P Balmer, Mr R W Beales, Prof Martin Bell, Mrs Vivienne Blandford, Mr Andy Bliss, Mr David A Bone, Mr Stephen Bullas, Mrs Jessica Butt, Dr Stuart Chatfield, Mr Stephen Cleverly, Mr Allan Course, Dr J H Dicks, Mrs Lys Drewett, Miss Esme Evans, Dr J Foster, Mr O J Gilkes, Ms Elanor Grace, Mrs S Hanna, Mr Peter Heslip, Dr M J Holmes, Mr Carl Holten, Mr I R Honeyman, Mr Colin Johnson, Ms Amanda Jones, Mr I Judd, Dr Jamie Kaminski, Mr S G Knott, Ms Gill Lindsay, Mr J R Lonergan, Mr J Lower, Mrs E Magilton, Dr John Manley, Miss F Marsden, Mr T J McCann, Mrs Christine Medlock, Prof R R Milner-Gulland, Mr Richard New, Mrs J Oldham, Dr Matthew Pope, Mr David Roberts, Mrs C Shirley, Mr Joe Sullivan, Mr Peter Vos, Miss J K Wallace, Dr A J K Webb, Mrs C R Wells and Mr C W Woodburn

IN ATTENDANCE: Emma O'Neill (Membership Secretary), Emma O'Connor (Museums Officer), Melanie Marsh (Property Manager, FRP), Rob Symmons (Curator), Betina Blake (Marketing & Admin Coordinator) and Kim Henwood (Café Manager)

APOLOGIES FOR ABSENCE: Mrs Sabrina Harcourt-Smith, Dr William Harcourt-Smith, Mr Michael Short, Mrs Elaine Short and Mrs Jane Vokins.

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**1. Welcome and Introduction**

1.1 President's Introduction

Prof Martin Bell ("**MB**") welcomed Members. In his capacity as President, and in accordance with the Society's articles of association, he took the chair of the Meeting and called the Meeting to order. MB invited the Society's Chair, Christine Medlock ("**CM**"), to set out the background to, and purpose of, the Meeting.

1.2 Chair's Introduction and Outline of Business Plans

CM stated that it is an important time for the Society as it approaches its 175th Anniversary. The Trustees, staff, friends and volunteers were thanked for their very hard work in recent months - particularly since the departure of the CEO. CM expressed her hope that the Meeting would be an important step in securing the Society's sustainable future as the oldest organisation of its type in the UK.

The last few years has seen a decline in visitors to the Society's properties and it is now necessary to adjust its business methods to current market conditions. Staff have already been very supportive in changing their work patterns and museum opening times to make savings. It is also intended to increase revenues by diversifying the Society's audience. However, whilst it is relatively asset rich, the Society currently lacks the cash resources to fully carry out these initiatives. The Trustees have significant plans and the first stage of the strategy - the recruitment of a high-calibre interim CEO to manage the plans - is already underway.

CM drew Members' attention to the Meeting Notice and Background Information (the "**Notice**") that had been circulated. The Notice set out a rationale for the Meeting's proposal to enable the Trustees to carry out their 4 key aims: research and advocacy, financial stability, care of collections and buildings and audience development. CM noted that, with its current model, the Society is not able to balance its budget and it therefore lacks the financial stability to achieve the other three aims. This must change.

CM reported that the Trustees have deliberated with great care and diligence and now propose to Members that certain of the Society's assets, that are not part of its visitor portfolio, be utilised differently (by sale or to secure loans - as more specifically set out in the Notice) to invest in the Society's key aims. The proposal was set out in detail in the proposed resolution (the "**Resolution**") contained within the Notice.

Mindful that many Members would have limited knowledge of the three properties (the "**Three Properties**") that are the subject of the Resolution CM invited Helen Anson ("**HA**") to give a presentation on them. HA is a Member and former employee of the Society, a property expert and is currently working voluntarily for the Society advising the Trustees on its property portfolio.

## **2. To Consider and, If Thought Fit, Approve the Substantive Resolution on the Agenda**

### 2.1 Presentation on The Three Properties

HA tabled and presented the document "**SAS Property Review**" on the Three Properties. SAS Property Review will be attached to and will be DEEMED to form part of the Minutes of the Meeting.

HA noted that the Society is asset rich and cash poor. HA explained the Trustee's intention to find ways to release funds from the Three Properties (which are peripheral to the Society's portfolio and are not open to the public). Indeed many Members would, understandably, not likely realise that the Society owns them.

HA set out the current ownership and use of the Three Properties, explaining why they currently provide little, if any, benefit or use to the Society's Members and how raising funds by their sale or charge would be more beneficial to the Society's key aims. HA also explained that there is a business plan to re-invest the funds thereby released and that the Trustees have carefully considered their requirements to abide by the various legal and Charity Commission rules, the Three Properties' covenants and the conditions under which they were acquired by the Society. Further, HA stated that the Trustees will both fulfil their duty to secure the best possible market price and also include

contractual overage clauses to ensure that it will benefit from any future speculative gains as a result of onward sale by the buyers.

Similar organisations, such as the National Trust, have in recent years gone through very similar strategic exercises as part of their plans to modernise the way in which they achieve their traditional objectives. Staff have been co-operative in assisting with changes by, for example, revised working hours. Additionally, the Landmark Trust ("**LT**") has been offering free mentoring advice beyond their specific interest in Wilmington Priory ("**WP**").

## 2.2 Questions from Members

HA invited Members to ask questions on her report.

Stephen Bullas asked: What was the original purpose of acquiring WP and The Parsonage and do those reasons still apply?

HA stated that they were given to the Society for their preservation (and possibly opening to the public, although that has not been the case for many years and was not an essential requirement.) The Society has a duty to preserve the buildings in its care and, in both cases, the buildings have been both looked after and extensively restored by their tenants during the time that the Society has owned them in a way that the Society could never have done solely with its own resources. MB advised that, in many cases, the Society held historic buildings before the time at which there were statutory requirements to protect them and had preserved them during a time that they could have been lost. Any future owner would now have legal obligations to do what the Society has done voluntarily in the past and their future is now secure.

Ian Honeyman asked: What is the value of the WP freehold in the context of the LT's automatic right to renew its lease on expiration?

HA said that the Society is in the process of acquiring a professional valuation but initial suggestions are in the region of £50k. CM stated that, even if the Resolution is passed, the WP freehold might be retained if the price offered by LT (or an alternative private buyer) proved too low to merit a sale at this time.

Stephen Cleverly asked: How do the Three Properties currently support the key aims of the Society?

CM stated that this question is fundamental to why the Trustees are proposing the Resolution. The Margary block does not efficiently fulfil any of the Society's aims (apart from being an expensive storage facility for artefacts) and the preservation of WP and the Parsonage, whilst probably fulfilling an objective of the Society, has been achieved. The Society should only be maintaining properties and displays that are open to the public; any other resources should be wisely managed to achieve the best return to support investment in the key properties.

Richard New asked: Would another building be required to house the artefacts currently held in the Margary block?

CM stated that it was likely that all the contents could be held elsewhere on the Society's estate - such as at Michelham Priory ("**MP**") and FRP. The storage of historic artefacts is subject to various museum accreditations to which the Society carefully adheres.

Fiona Marsden stated that she was curator of Anne of Cleves House ("**AoC**") when the Margary block was first built as a purpose-built store. She asked: How can the artefacts can be securely and safely held elsewhere?

Emma O'Connor, the Society's Museums Officer, advised that appropriate destinations will be found for each category. For example the ceramics collections will be consolidated at Barbican House, non-Lewes social history items will go to MP and Lewes-related items will be put on display at AoC. It is believed that there is flexibility at AoC to display more of the ironwork currently in storage. A small number of larger items, more appropriate to other institutions' collections, might be transferred elsewhere. HA advised that there is now considerable empty space at MP due to its residential flat being no longer occupied.

Andy Bliss advised against using capital to subsidise insufficient revenue. He asked: In considering properties for disposal was a ranking system to be used; such as: 1. charitable purpose, 2. capital to be released, 3. ease of disposal (accounting for planning and other permissions)?

HA advised that planning permission for the work proposed on the Margary block would take 8 - 12 weeks and that much of the initial preparatory work has already been carried out. CM advised further that a desk-based assessment of which buildings were most appropriate for disposal has already been undertaken by Council and that the proposal now before Members is the result of that assessment.

Elanor Grace asked: Would it be advisable, as an alternative to sale, for the Society to convert the Margary block to residential use and rent it out itself?

HA stated that this had been considered - the price of conversion is not very high - however it has been concluded by Council that a capital release of the building's full value was more appropriate to the Society's current requirements. The building's sale value is high compared to the likely rental income. Further, the Society is not presently in a position to invest in building work outside of its core aims.

Richard Akhurst stated that his first thoughts on reading the proposal were of horror; in the past the revenue from such sales had been spent on general expenditure rather than investment. However, having seen the detail of the proposal, he expressed his admiration for the work and due diligence that had been done and was supportive of Council's plans so long as the resources raised were wisely used.

HA reported that the Trustees are aware of this concern and had carefully considered how the resources, should the sales be made, could be used for the Society's core aims or invested safely for the future.

Ian Honeyman asked: Is the Society is still losing £250,000 per year?

CM reported that Council is planning a balanced budget for 2020. The proposed property sales are part of a wider strategy to cut costs and invest to increase revenue to achieve this. However the sale proceeds themselves would and could not be considered as income.

Amanda Jones ("**AJ**") (Chair of Finance) confirmed that in 2018 the Society made a loss of £230,000 and the 2019 figures (whilst still to be finalised) would also show a substantial loss, albeit a slightly lower one. The Society is now at a 'reset' point with a new strategic direction as such losses cannot continue. The Trustees and staff are working on a series of over 70

action points which, if all implemented, could lead to a surplus of up to £80,000. It is no longer sustainable to hope that visitor numbers, and therefore income, will increase if all else stays the same. Specific actions are being taken. The Society is quite a lean organisation, but relies too heavily on the goodwill and unpaid work of staff and volunteers, rather than effective investment in modern marketing and business processes. AJ suggested that the proposal is a bold one that was difficult for Trustees to bring before Members but is one that, nonetheless, is necessary for its future survival and success.

Robin Milner-Gulland queried whether the Society could continue without a CEO.

CM said it could not. Whilst she (and other Trustees) have maintained the organisation during the interregnum period, charity law does not permit Trustees (who are also unpaid volunteers in that capacity) from taking such executive roles. The Society is a complex business and certain aspects (such as health and safety and other legal areas) make it imperative that a CEO is duly appointed. Only an appropriately-qualified and employed CEO can implement the business plan and strategy that will commence when (and if) the proposed Resolution is passed. CM reported that she is currently conducting the Interim CEO recruitment process and it was reassuring that a number of very high-calibre candidates had applied.

David Roberts cited examples of commercial organisations that had failed due to diversification outside their core business areas and asked: Can an organisation comprising a membership of archaeologists and historians ever successfully run a property-based visitor attraction business? He stated his hope that today's meeting would be a first step in the divestment of properties generally.

CM accepted that Mr Roberts's view was held by some Members. However, owning properties is one of the Society's legal objects and the properties do provide research and educational opportunities as well as visitor attractions. 20,000 children visit FRP every year, which may become an even more critical pathway to career opportunities since the recent abolition of the archaeology A Level. HA stated that her first experience of the Society was on a school trip to MP.

Oliver Gilkes suggested that there be a continual review, not just a one-off exercise. Whilst he supported the ownership of FRP and the Lewes properties he suggested that attention and spending resources on properties has diverted attention from funding archaeology and research.

HA stated that freeing the resources from the superfluous properties might enable the Society to focus more on these areas.

Colin Johnson asked: Are the Trustees intending to explain their future plans in time for the AGM?

CM said that Council has an outline plan and vision. Once the business cases have been considered (and the new Interim CEO appointed and consulted) those plans will be finalised and written up as a strategic document later this year.

Matthew Pope (a Trustee) further advised that, approximately 40 years ago, organisations like the Society were instrumental in ensuring that legislation was passed to protect, manage and curate the heritage environment. In recent years such legislation has been diluted and the Society should be proud that it voluntarily, and without public funds or support, tries to continue this role. The Resolution is part of that process.

Andy Bliss commended the Trustees on the detail of their property proposals (although there were now few options) but advised that the opportunity should not be squandered. There should be a firm strategic plan.

CM confirmed that there will be one.

Stephen Bullas suggested that the wide range of professional skills of the Members be more actively utilised to comment on the new strategic plan - perhaps in the form of a focus group.

CM said that the offer is an interesting one that will be considered. Additionally Council does seek co-options of professionals with relevant experience that is identified as lacking during skills audits; Members willing to offer their services are invited to contact the Society.

Richard New asked if there are capital gains tax implications from asset sales.

Peter Vos (a Trustee and former Finance Committee Chair) confirmed that, as a charity, capital gains tax would not be payable by the Society on the proposed sales.

MB summed up by advising Members that maintenance of adequate reserves is a Charity Commission requirement. In recent years there have been reported cases of charities failing due to inadequate cash levels. The Society's reserves have been depleted in recent years and addressing this requirement is one of the main purposes of the Resolution.

### 2.3 Introduction of Proxy Voting

MB advised that he (and other Members) are in possession of proxy votes that have been cast by Members who are not present at the Meeting. MB invited Stuart Chatfield ("**SC**", a Member of the Society and Chartered Company Secretary, who acts as Secretary to Council on a voluntary basis) to explain the background to this apparently new development.

SC reported that, as well as being voluntary Secretary to Council, he has been co-opted on to the Governance Committee. As part of Council's wider plans to update the Society's governance he is assisting with drafting a new set of articles of association which will be presented to Members, for their consideration, in due course. The current articles are outdated, having been adopted under a now-superseded piece of legislation. It is desirable that many of the clauses be replaced with regulations better suited to the modern business environment. However, whilst some changes are desirable, it has been noted that some clauses in the articles have become totally void due to legislation since the time that they were adopted. The clause that forbids proxy voting, whilst acceptable for guarantee companies - such as the Society - when it was adopted, is now of no effect and is over-ruled by statute which explicitly requires it. Therefore proxy voting at general meetings has been allowed with immediate effect.

### 2.4 Vote on Substantive Resolution

MB, for the benefit of those present, recited the Resolution as it appeared on the Notice as duly circulated and referred Members to the background information that accompanied the Notice.

The Resolution was then proposed by Caroline Wells and seconded by Michael Holmes.

On a show of hands, and including the proxy votes received:

### Ordinary Resolution

"it was **RESOLVED** that Council be authorised, at its complete discretion, to sell or create a charge over any or all of those three properties commonly known as The Parsonage Restaurant, Tarring, The Margary Block, Lewes and Wilmington Priory".

The votes cast were as follows:

	For	Against
In the Room	47	1
By proxy	258	1
<b>Total</b>	<b>305</b>	<b>2</b>

MB thanked Members for attending the Meeting and contributing to and assisting Council in making their decision. MB also thanked the Trustees and staff for their work in organising the Meeting and preparing the information to enable Members to consider the Resolution.

### **3. Any Other Business**

Michael Holmes asked: What is the status of the excess land at FRP?

CM confirmed that Trustees are aware of this land (commonly known as "the Paddock") and it is under consideration as part of the long-term strategic review of the Society's assets. Furthermore, it is in the local authority plan for future development. However, this was given by Ivan Margary with certain conditions as to how any proceeds from it may be used and re-invested. Council is keeping this under review and may decide to exploit its value in the future. MB advised that extensive archaeological excavations had confirmed that it, surprisingly, contains virtually no Roman material at all.

Andy Bliss thanked, on behalf of the Members, the Trustees for the hard work that they have done in a voluntary capacity.

There being no further business the President declared the meeting closed at 12.02 p.m.

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Professor Martin Bell

President

CHAIRMAN OF THE MEETING

Dated: \_\_\_\_\_ 2020