

STATEMENT OF AGREED FACTS
BETWEEN
STRADBROKE PARISH COUNCIL
and
STRADBROKE CHARTIABLE TRUST
(formerly known as Stradbroke Health Trust)

Section A. Lease

1. The land on which the surgery is built is owned freehold by the Parish Council.
2. A Feasibility Study of the future of GP services in Stradbroke was produced in 1995 by three Parish Councillors; Anne Kerr, Reginald Elvin and Peter Smith. These three Councillors were the founding members of the Health Trust established by the Parish Council at that time.
3. The site of the surgery was leased to the Health Trust under terms of the head lease dated 8th November 1996.
4. The head lease required the Trust to construct a surgery on the site.
5. The surgery was built and leased by the Trust to the GP practice by an underlease.
6. The terms of assignment of the head lease from the Charitable Trust to the CIO has been agreed without amendment.
7. The head lease has not yet been assigned.
8. The CIO will take the assigned head lease under the same valuation method as the current head lease.

Section B. Rent method

1. The rent method in the head lease was created to enable the Health Trust to construct the building without financial penalty.
2. Trustees personally underwrote a shortfall in capital funding.
3. The head lease recognises a change in rental method triggered by repayment of borrowings for which trustees were personally liable.
4. Borrowings were repaid by 2008 and there is no outstanding amount owed by the Trust which is related to the construction costs of the surgery.

Section C. Document discovery

1. On 18th April 2017, the Clerk of the Parish Council uncovered a cache of archived documents which clarified the basis of the rent.
2. On 19th June 2018, a number of these documents were sent openly to the Trust. These were the following:
 - 2.1. Feasibility Study concerning GP Services in Stradbroke, prepared in 1995.
 - 2.2. Letter dated 12th September 1995 from Stradbroke Health Trust to the Parish Council.
 - 2.3. Letter dated 1st December 1995 from the Parish Council to the Dept. of the Environment.
 - 2.4. Letter dated 15th January 1996 from the Parish Council to the Government Office for Eastern Region – attachments to this letter included:
 - Letter from Clarke & Simpson dated 9th January 1996
 - 2.5. Letter dated 16th January 1996 from the Government Office for Eastern Region.

Section D. Rent reviews

2016

1. On 12th May 2016, Mr Turkington sent an email to the trustees of the Stradbroke Trust (the CIO) which, at the time included, two Parish Councillors Peter Smith and Carrie Barnes. This email sought to influence members of the Parish Council to maintain the existing approach for rent collection from the Trust instead of carrying out a proper review of the terms in the head lease. This email was sent ahead of a meeting held on 16th May 2016 of the Parish Council's finance working party meeting with Peter Smith and Carrie Barnes as representatives of the CIO.
2. On 5th September 2016 the Trust met a valuer on site and instructed him to carry out a valuation to ascertain a ground rent figure. The valuer submitted a valuation to the Trust on 9th September 2016, the figure proposed was £485pa. This valuation was not accepted by the Parish Council.

2018

3. On 14th September 2018, the Parish Council proposed a rental figure of £12,500pa for the 3 year period starting 1st April 2019. This proposal was based on the rateable value of the premises as per an updated valuation dated 14th September 2018. That proposal was rejected by the Charitable Trust.
4. On 28th September 2018, Birketts (solicitor for the Charitable Trust) proposed a nil increase to the rent which was unacceptable to the Parish Council.

Section E. Minutes of Parish Council Meetings

We agree that the pages provided are copies of the Minutes of Stradbroke Parish Council meetings.

Section F. Trust Deed

We accept that this is a true copy of the Trust Deed as drawn up on 18th October 1995.

Agreed by:



Odile Wladon for:
Stradbroke Parish Council

Roger Turkington for:
Stradbroke Charitable Trust



Date: 14 December 2018