

ASHWATER PARISH HALL

MINUTES OF TRUSTEES MEETING – THURSDAY 18 JANUARY 2017

**In attendance** – Trustees: Colin Vallance (Chair), Helen Bone, Letitia Yetman, Judith Addicott, John Forward, Andrew Patterson, Ivan Buxton. Treasurer: David Vaughan

**Apologies** – Steve Warring, Andrew Stacey, Paul Moon

**NB.** *The Trustees meeting scheduled for Wednesday 14 December was cancelled*

1. DECLARATION OF INTERESTS	Actions
It was confirmed the meeting was quorate and there were no declarations of interest	
2. MINUTES OF MEETING – 14 SEPTEMBER 2016	
The minutes were approved as a correct and accurate record	
3. MATTERS ARISING	
<p><b>Jack Moon plaque</b> – Agreed to go ahead with in the same style as the Gliddon plaque, to be mounted on the wall outside the hall. CV will discuss wording with Trevor Moon. <i>(Carried forward from previous meeting)</i></p>	CV
<p><b>Hall extension</b> - A bottle of NZ Cabernet Sauvignon to be given to John Addicott. <i>(Carried forward from previous meeting)</i></p>	JF
<p><b>Hallmark accreditation</b> – Due to other current priorities this will now be progressed at a later date.</p>	IB
<p><b>Trustee recruitment</b> – Roy Graham has been asked if he would become a Trustee. He would consider it in the future but not currently.</p>	
<p><b>Terms of reference</b> – These are being drafted for the officer posts and will be presented at a future meeting. <i>(Carried forward from previous meeting)</i></p>	IB
<p><b>Lower boundary of lawn</b> - HB had received a concern from an attendee of the recent Church BBQ about the hall boundary at the lower side of the lawn area. It was felt there was a potential risk that children could fall into the road when playing,. Trustees agreed that a fence might encourage children to climb and therefore not solve the problem. Instead it was agreed to plant shrubs along the boundary. LY may be able to supply some. <i>(Carried forward from previous meeting)</i></p>	LY/ working party
<p><b>Skittle alley</b> - The skittle alley needs to be painted. The men’s skittle team have offered to do this. <i>(Carried forward from previous meeting)</i></p>	IB
<p><b>Waitrose</b> – Holsworthy branch have accepted the hall for their community funding scheme, for which it will be included throughout February.</p>	
<p><b>Fire alarm</b> – Argos have completed a full test in January 2017, for which they have provided a certificate. They did not find any faults with the emergency lighting system.</p>	

<p><b>4. Treasurer's Report</b></p> <p>DV presented profit and loss accounts up to the end of quarter 3 (31 December 2016). Key points:</p> <ul style="list-style-type: none"> <li>- Deficit for period £2,040.40 (£2,369.71 - net loss on operation, £329.31 – net proceeds from fundraising activity)</li> <li>- YTD Surplus £575.63 (£1,377.62 - net loss on operation, £1,953.25 – net proceeds from fundraising activity). This is compared to a loss of £900 at the same point last year.</li> <li>- Cash at bank £16,092.53 (£9,878.08 – current account, £6,214.45 – deposit account)</li> <li>- The coffee mornings have raised £208.31 to date</li> <li>- Major costs have included decoration of the hall (internal JMH and outside posts) amounting to £2,146.74</li> <li>- £329.31 – proceeds from fundraising activity will be transferred to deposit account in quarter 4.</li> <li>- A cheque for £1,165 has been donated from the Hollow Panson wind farm fund; this will be placed in the deposit account and go towards the hall extension. A letter of thanks to be sent to Stephen Davies, Henford Barn, EX21 5DA.</li> </ul> <p>It was agreed at the meeting to pay two current bills valued at £80.40 and £72.25.</p>	<p><b>IB</b></p> <p><b>CV</b></p> <p><b>IB</b></p>
<p><b>5. Health and Safety</b></p> <p>No accidents have been reported for the period.</p> <p>The emergency lighting is now working and has been tested in January as part of the fire alarm test.</p> <p>Loose pathing stones have been reported on the path to the shop. Stuart carried out work to make them firm the next day, at no cost to the hall. It was agreed that we need to continue regular maintenance of the path for the time being to ensure it remains firm and plan for a full replacement of the path when the hall extension is carried out. It was suggested that the shop could be asked to contribute to the long term solution.</p> <p>The car park entrance is beginning to dip away in the middle. Although not posing an immediate problem it will need to be monitored.</p>	
<p><b>6. Maintenance</b></p> <p>An application has been made to the Co-Op asking for £3,000 towards tarmacking improvements at lower end of the car park – outcome awaited.</p> <p>Problems with supporting posts under veranda at front of hall, key points to date:</p> <ul style="list-style-type: none"> <li>- The timber posts are pared and secured into a fixing plate by three bolts with the timber sat directly on the flat galvanised plate, which causes water to soak into the posts resulting in decay.</li> <li>- JF sent photographs to TRADA (experts on timber detailing). TRADA have</li> </ul>	

<p>confirmed that the system described above is not recommended.</p> <ul style="list-style-type: none"> <li>- JF advised Coydes, who built the hall. They suggested the problem was a result of the hall not carrying out regular sealing</li> <li>- JF referred Coydes to TRADA and also referred to our agent, Andy Taylor from Taylor and Lewis to seek their assistance with the matter.</li> <li>- Andy wrote to Coydes, who subsequently made a site visit on 16.01.17.</li> <li>- Coydes have agreed to cut 10mm off the bottom of the timber, as recommended by TRADA. They will also propose a detail to rectify the situation and seek approval from TRADA for their proposal.</li> <li>- It was agreed that if TRADA approve the detail then we will accept the remedial action proposed by Coydes.</li> <li>- It is anticipated that the work will be completed within 2-3 weeks subject to the TRADA approval of the detail. When the works are carried out we will need to seek confirmation from Coydes that the timber remains sound.</li> </ul>	<p><b>JF</b></p>
<ul style="list-style-type: none"> <li>- <b>Charitable Status</b></li> </ul> <p>The current charity, registered as ‘Parish Hall and Institute’, charity number 1016238 is not incorporated. In attempting to apply for funding for the hall extension this has proved to be an obstacle with at least one funder, which is only willing to fund an incorporated charity.</p> <p>One option is for the Parish Hall to become a new form of Charity known as a Charitable Incorporated Organisation (CIO). These new charities are simple to administer and the Charity Commission has a model constitution which can be amended to suit our purposes. As an incorporated charity it provides Trustees with extra protection than the existing charity in the event of a serious problem.</p> <p>IB reported on the research he has made into making a transition to a CIO, with key points noted below <i>(it should also be noted that Ivan circulated information on the proposed changes along with copies of Charity Commission guidelines, a model constitution for a CIO and our existing governing document on 17.11.16 and a draft constitution for the hall based on the Foundation Model on 08.01.16 for Trustees to consider in advance of this meeting):</i></p> <ul style="list-style-type: none"> <li>- Two options are available to us – the ‘Foundation Model’ or the ‘Associate Model’. The latter requires members in addition to Trustees which can become unwieldy and require greater administration.</li> <li>- Written approval from the Charity Commission is required before we can change our charitable status</li> <li>- Written approval of the Big Lottery Fund is also required</li> </ul>	

- We can only change our constitution at an AGM.
- We have to dissolve the existing charity and set up a new one as a CIO
- The “Model constitution” for a CIO has to be amended to contain wording that reflects our Objects from the existing Memorandum of Changes and accept or delete clauses within it which may or may not be relevant to our governance
- In addition to adopting a CIO status we would need to prepare a ‘General Vesting Declaration’ which is a deed usually requiring signature(s) in the presence of a Commissioner of Oaths transferring our property (a permanent endowment) from the present charity into the new one
- Ivan has begun work to create a draft constitution for the hall based on the Charity Commission’s proforma constitution.

See additional information provided by IB in Appendix A below.

LY has sought informal advice from Coodes Solicitors, with key points noted below:

- Advised that we should become a CIO, using the ‘Foundation Model’
- Recommendation that the CIO should be called the Ashwater Parish Hall CIO
- We should also have committee and possibly subcommittee members comprising people who are involved with the Hall to work alongside the Trustees.
- Once it has been agreed by the Trustees, we should be able to form the new CIO, register it with the Charity Commission and dissolve the existing Charity on our own but, we would need her professional services for the transfer of the property. The cost of this is likely to £1000
- It was suggested that six is an appropriate number of Trustees although this can be varied.

See additional information provided by LY in Appendix B below.

After considering the information Trustees agreed to put forward a proposal at the AGM to dissolve the existing charity and form a new CIO. To enable this the following two resolutions were passed, Proposed by Ivan Buxton and Seconded by John Forward. All present were in agreement.

#### Ashwater Parish Hall – Constitutional Changes

At a meeting of the trustees held on 18<sup>th</sup> January 2017 in Ashwater Parish Hall, Ashwater Devon the following resolution was adopted:

**IB**

1. A proposal will be submitted at the next Annual General Meeting of the Charity known as Parish Hall and Institute (Charity Registration number 1016238) to adopt a new constitution based on the Foundation Model provided by the Charity Commission in order to create a new Charitable Incorporated Organisation to be known as:

Ashwater Parish Hall – CIO

2. A further proposal, subject to adoption of proposal 1 above and subject to acceptance by the Charity Commission of the new charity to be known as Ashwater Parish Hall – CIO as a registered Charitable Incorporated Organisation, is to seek dissolution of the existing charity number 1016238 (Parish Hall and Institute) with transfer of all the assets and liabilities to Ashwater Parish Hall - CIO

The above two proposals are recommended for adoption by the undersigned charity trustees:

Name

Signature

IB will check with the Big Lottery that they are comfortable with the proposed changes.

### **7. Trustees**

John forward informed Trustees that he would not be standing as a Trustee again at the AGM in May 2017.

### **8. Hall extension**

IB has applied to Torridge District Council for £25,000 and LEADER funding for £2,500 – responses awaited.

Coffee mornings are continuing to raise funds for the extension

A buy a slate appeal and 100 club were proposed as new ways for raising funds, but the logistics will require further discussion before going ahead.

<p><b>9. Events</b></p> <p><b>Railway commemoration event</b> – the event due to be held from 31 March to 2 April was discussed in details and will include a wine and cheese evening (Friday), exhibition (Saturday) and Jazz Lunch (Sunday). IB and LY will work on further details and a planning meeting will be held within the next 10 days.</p>	<p><b>LY/IB</b></p>
<p><b>10. Any other business</b></p> <p>The hall has been offered a full sized snooker table by Mr Ridge of Braddon. It was agreed that we do not have the space to accommodate this, even within the extension. CV to write and decline.</p> <p>John Forward gave the hall a plaque that he had found, which was presented by the Order of the Rechabites who funded the old village hall.</p>	<p><b>CV</b></p>
<p><b>11. Date of next meeting</b></p> <p>The next Trustees meeting to be held on <b>Wednesday 19 April 2017 at 8.00pm</b></p>	

## **APPENDIX A**

### **Notes on change of charitable status, provided by Ivan Buxton, November 2016**

Ashwater Parish Hall – Charity Status and Constitution

Resulting from a grant funding application a query has arisen over the Hall's charitable status. A requirement for access to the funds (if granted) is that we are an incorporated charity or are working towards becoming one. This is the first time the issue has arisen, but will probably not be the last.

Briefly:

The Hall is registered with the Charity Commission as an unincorporated charity (Number 1016238) and operates under the terms and conditions laid down by an Order dated 14/07/2006.

At that time a Memorandum of Changes was adopted and effectively became the Governing Document.

In 2012 the Charity Commission introduced a new level of charitable legislation giving new and established charities the option of becoming a Charitable Incorporated Organisation (CIO).

The benefits of becoming a CIO were not immediately obvious to us at the time for whilst a CIO may own property, employ staff and enter into contracts in its own name our Memorandum of Changes specifically provides authority for property ownership, staff employment and to enter into contractual relationships.

An additional item of relevance is that it is said a CIO owns the property in its own name whereas an Unincorporated Charity owns the property in the name of the trustees. Our hall is registered in the name of the Official Custodian for Charities acting by The Trustees of the Parish Hall and Institute

The Big Lottery Fund have a legal charge over the property, which means we have to repay the grant if the building is sold or the charity goes into receivership. Interestingly the charge relieves ex-trustees of liability once they cease to be trustees and only 3 of the original trustees who signed the document remain (3 are deceased and 9 have resigned). The liability of Trustees (other than through fraud or other breach of trust) is limited to the value of the charity assets with no additional personal liability.

The three remaining original trustees at present are Ivan Buxton, John Forward and Andrew Stacey.

Normally it is suggested the main reason for becoming an incorporated body is that it shifts the legal liability from individual trustees to the corporate body. This, I believe can be interpreted three ways:

1. As added protection for the trustees if something goes wrong
2. As reducing the liability of trustees, which might weaken their resolve to protect the trust and assets – trustees would still however have to act responsibly in decision making and administering the trust.
3. As assurance that as trustees come and go the corporate body remains responsible/liable.

The Charity Commission indicate in their publications that an unincorporated charity such as ours is not a legal body in its own right so it cannot enter into contracts in its own name – this is strange because our constitution based on the Memorandum of Changes approved and granted as an official order by the commission gives us under Section 5.2 the following power:

*'To take on lease or in exchange, hire or otherwise acquire any property necessary for the achievement of the Objects and to maintain and equip it for use.'*

Moreover, under section 18.1 we may also sell the property to either further the Objects or dissolve the charity.

Consequently whilst it seems we do have the powers we need it could be argued that to ensure they can be acted upon we should become a CIO.

This then raises an immediate problem – under the terms of our constitution we cannot make the necessary transition without:-

1. Written approval of the Charity Commission (probably not an obstacle other than for the time it takes because it is the Commission that recommends uplifting the status to a CIO)
2. Written approval of the Big Lottery Fund (again unlikely to be problematical but may involve legal costs).
3. We can only change our constitution at an AGM.

We have the power to call a Special General Meeting to secure approval to take forward a suitable motion to the AGM, but the Trustees themselves have the authority to discuss constitutional matters at their meetings, so an SGM is not really necessary.

The “Model constitution” gives you an idea of what we need to read and understand – we add our own wording for the Objects from the existing Memorandum of Changes and accept or delete whatever is needed or not as the case may be – it is an opportunity to perhaps simplify the present constitution and make it more applicable to the present need of governance.

In addition to adopting a CIO status we would need to prepare a ‘General Vesting Declaration’ which is a deed usually requiring signature(s) in the presence of a Commissioner of Oaths transferring our property (a permanent endowment) from the present charity into the new one.

## **APPENDIX B**

### **Advice on Charitable status, sourced by Letitia Yetman, January 2017**

As promised I contacted Pam Johns from Coodes for advice on becoming a CIO.

She passed me on to Tamsin Mann a solicitor in the firm's Falmouth Office who is their expert on Charities. She was very helpful.

Her advice was that we should become a CIO and that we ought to take the Foundation rather than the Association route.

The reasons for this are that it is simpler, and more importantly it avoids leaving the charity open to factions forming in the community which can very easily happen in a village environment and can cause untold problems.

Her recommendation was that the CIO should be called the Ashwater Parish Hall CIO to differentiate it from the current entity and that we should have about half a dozen Trustees.

We should also have committee and possibly subcommittee members comprising people who are involved with the Hall to work alongside the Trustees.

Once it has been agreed by the Trustees, we should be able to form the new CIO, register it with the Charity Commission and dissolve the existing Charity on our own but, we would need her professional services for the transfer of the property.

The cost of this is likely to £1000

The lease for the Shop will not be a complication or extra cost provided it is for less than seven years.