



**REPORT TO THE CABINET SITTING AS TRUSTEE OF THE
THRINGSTONE TRUST AND THE THRINGSTONE
WOMEN'S TRUST**

23 JUNE 2017

**THRINGSTONE TRUSTS
TRANSFER OF TRUSTEESHIP TO A SUCCESSOR CHARITABLE
INCORPORATED ORGANISATION**

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of the Report

1. The purpose of this report is to seek approval by the Cabinet, acting in its capacity as Trustee of the Thringstone Trust and the Thringstone Women's Trust, to the adoption of new charitable objects for the Thringstone Women's Trust (the Women's Trust), the merger of the Women's Trust and the Thringstone Trust, and the subsequent transfer of the trusteeship of the merged trust and all assets and liabilities belonging to it from the County Council to the Charles Booth Centre Charitable Incorporated Organisation (CBC).

Recommendations

2. It is recommended that:
 - a) The new objects for the Thringstone Women's Trust as set out in paragraph 23 of this report be approved;
 - b) Subject to the Charity Commission's approval of the new objects for the Thringstone Women's Trust at a) above, the Thringstone Trust and the Thringstone Women's Trust be merged;
 - c) Following the merger of the two Trusts the assets previously vested in the Women's Trust be ring-fenced for purposes that meet the new objects agreed in a) above;
 - d) The Trusteeship of the merged trusts be transferred to the Charles Booth Centre Charitable Incorporated Organisation (CBC), subject to:

- (i) the Charity Commission's approval to a) above;
 - (ii) the assets previously vested in the Women's Trust being ring-fenced for the same purposes as set out in the new objects agreed in a) above; and,
 - (iii) the Chief Executive being satisfied that suitable arrangements are in place for the CBC to fulfil its obligations as a trustee;
- e) The Chief Executive be authorised to take such decisions and actions as are necessary to implement the merger of the Thringstone Trust and the Thringstone Women's Trust and the transfer of the assets and liabilities of the merged trusts to the CBC.

Reason for Recommendations

3. To best achieve the objects of the Thringstone Trust and the Women's Trust including the effective and sustainable operation of community services and activities from the Thringstone House Community Centre.

Timetable for Decisions (including Scrutiny)

4. It is anticipated that, if approved, taking account of the timetable for Charity Commission decision making and implementation of the above recommendations, the transfer of assets to the CBC will be implemented in autumn 2017.

Policy Framework and Previous Decisions (of the Thringstone and the Women's Trusts)

5. A joint meeting of the Management and Executive Committees of the Thringstone Trust and the Women's Trust was held on 12 October 2015, and it was agreed that the CBC should be established to enable the transfer of assets to be implemented.

Resource Implications (for the Thringstone and the Women's Trusts)

6. This report is presented to the Cabinet sitting as Trustee of the Thringstone Trust and the Women's Trust and the resources implications for these Trusts are as set out below.
7. The assets of the Trusts that are proposed to be transferred to the CBC comprise the Thringstone House Community Centre and the adjoining land and buildings, the joint Investment Fund of £24,578 currently managed by the County Council, and funds held jointly in the Community Association Management Committee account, currently standing at circa £140,000.
8. The Trust's Investment Fund contains financial assets of the two Trusts. The assets of the Women's Trust (considered to be 25% of the total) will be ring-fenced to fund activity by women and girls in accordance with the proposed

new objects for that Trust. The proposed transfer of assets from the merged Trusts to the CBC will also be subject to this restriction.

9. The Director of Law and Governance and the Director of Corporate Resources have been consulted on this report.

Circulation under the Local Issues Alert procedure

10. A copy of this report has been circulated to Mr. T. Gillard CC and Mr. J. G. Coxon CC.

Officers to Contact

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PART B

Background

11. Thringstone Community Centre is based at Thringstone House (near Coalville, in North West Leicestershire) which is the venue for the delivery of services provided by the Thringstone Trust and the linked Women's Trust. The County Council accepted the role of Corporate Trustee for these two charities in 1950 and as a consequence took on the management of Thringstone House. The Trusts are unincorporated and the County Council has unlimited liability.
12. Management of the Trusts is delegated to an Executive Committee which is responsible for the strategic direction of each Trust and for reporting and making any strategic recommendations to the County Council. A Management Committee oversees the day-to-day activities of the Centre. Regulations governing the management of both charities were updated and approved by the Cabinet acting in its capacity as Trustee in January 2002.
13. The County Council employs three part-time staff at the Community Centre and funds some of the Centre's running costs. The total cost of this funding is currently circa £23,000 per annum. The County Council also funds the maintenance of the building as required from its Property Services Central Maintenance Fund (circa £8,000 per annum). The Management Committee contributes to staffing costs, funds the majority of the Centre's running costs, and generates income through running the bar and various lettings.

Recent developments

14. The Management and Executive Committees of the Trusts have been briefed by the County Council on the need for the Authority to make budget savings and on funding reductions for the Centre as set out in the Medium Term Financial Strategy (MTFS) 2016/17 – 2019/20, approved by the County Council on 17th February 2016.

Financial Year	Cumulative Saving	Description
2016/17	£7,500	25% reduction in management funding*
2017/18	£15,000	50% reduction in management funding
2018/19	£30,000	100% reduction in management funding

*Note: this target has been achieved by early implementation of cost saving measures.

15. A Building Maintenance Grant of £14,875 is proposed to be provided by the County Council to the CBC for the purpose of building maintenance following the transfer of assets.
16. The Committees have been supported to respond to the need to make savings by exploring and developing opportunities for making changes to the Trusts' governance arrangements, generating additional income, and

reducing costs. The Committees have responded positively and recent work has included rebranding and marketing the Centre, making energy savings, producing an expanded entertainments programme and the development of proposed future governance arrangements.

17. A review of each Trust's governance arrangements has been carried out by the Management and Executive Committees with help and advice from the Rural Community Council and the County Council. Arising from this, the Committees decided to establish a new Charitable Incorporated Organisation (CIO) with objects that align with the current and proposed activity of the Community Centre and which provide the potential for local community control, and ownership of the future direction and operation of the Centre. A CIO has charitable status, but provides limited liability for trustees and the ability to enter into contracts.
18. At a joint meeting of the Management and Executive Committees of the Thringstone Trust and the Women's Trust held on 12 October 2015, it was agreed that the Charles Booth Centre (CBC) CIO should be established. This was done, and the new Charity was registered with the Charity Commission on 5 May 2016. The charitable objects of the CBC¹ are -

To establish and run a community centre and to promote for the benefit of the inhabitants of Thringstone and the Parishes of Whitwick, Swannington, Worthington, Osgathorpe, Coleorton and Belton ("area of benefit") without distinction of sex, sexual orientation, age, disability, nationality, race or political, religious or other opinions the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the conditions of life of the said inhabitants.

19. Business planning work by the CBC trustees is ongoing and a draft Business Plan has been prepared.

Proposed changes

20. It is proposed that in future the assets of the Trusts, and the responsibility for their management and maintenance, should be passed to the CBC. The CBC has been consulted on a proposal to implement this transfer which includes a phased withdrawal of funding by the County Council for management of the Community Centre in accordance with its MTFS savings requirements, and the payment of a one-off grant to contribute to building maintenance, as referred to above.
21. The CBC has confirmed that it would be willing to accept the transfer of assets from the Trusts including associated staffing responsibilities. The

¹ The purpose of the CIO as here set out uses the wording that has been used for village halls for many years and reflects the wording of Section 5 of the Charities Act 2011 and current best practice.

proposal is likely to be covered by the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) as existing staff could transfer to the CBC unless the CBC decide that different services will be provided and/or that there is a change of focus on the types of services provided at the Centre. Should the CBC request it, there is the potential for the County Council to continue to employ existing staff and provide a service to the CBC at the Centre, although this would be subject to cost recovery from the CBC. If TUPE applies and there are existing staff who do not wish to transfer over to the CBC they may object to the transfer. Where an employee objects for a significant reason, it would require the Council to try to redeploy that individual. If redeployment is not possible then that person would have to be made redundant, which could lead to the Council being liable to costs including redundancy pay, notice pay and capital pension costs. Engagement with the CBC Trustees and with existing staff at the Centre is currently taking place.

22. In order to implement the transfer of assets of the two Trusts to the CBC it is first necessary to merge the Women's Trust with the Thringstone Trust. To do this, the County Council, as Trustee of the Women's Trust, must first pass a resolution under s.275 of the Charities Act 2011 adopting the new objects for the Women's Trust which are compatible with those of the Thringstone Trust.
23. The existing objects of the Women's Trust are:

"The establishment, equipment and maintenance of an Institute for women and of a Social Club for girls and also the provision of instruction in housewifery, cooking, needlework, laundry work and the general welfare and improvement of the home to women and girls and the provision of elementary instruction in the Christian religion to children of either sex who are under the age of seven years."

It is proposed to change this, to:

"For the public benefit, the advancement of education of women and girls through the provision of courses and other activities in local and national political and social issues, music, drama and other cultural subjects, agriculture, crafts, home economics, science, sport, health and social welfare."

24. If approved by the Cabinet, this resolution must be filed with the Charity Commission which must then approve it before it can take effect. This process is expected to take around 60 days. The Charity Commission is aware of the intended new objects for the Women's Trust and has indicated that these would be acceptable.
25. If the new objects are approved by the Charity Commission, the two Trusts can then be merged on the basis that the Women's Trust money is ring-fenced for purposes that meet the objects of this Trust. Thereafter the trusteeship of the merged Trusts and its assets, including property that the

County Council currently holds on trust for the Thringstone Trust, can be transferred to the CBC.

Background Papers

Report to the Cabinet on 15th January 2002 - Youth and Community Education:
Scheme of Management for Thringstone House

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=615>

Report to the County Council on 17th February 2016 - The Medium Term Financial
Strategy (MTFS) 2016/17 – 2019/20

<http://ow.ly/4n4yDN>

Equality and Human Rights Implications

26. The CBC will continue to provide services and activities for all sections of the local community as provided for by its charitable objects.

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