



PORTFOLIO AREA: COMMUNITY ACTIVITIES

Date of Meeting: 5 NOVEMBER 2001

Public

Key Decision: No

Recorded in Forward Plan: No

Inside Policy Framework

Title: LONGTOWN MEMORIAL HALL COMMUNITY CENTRE
NEW CONSTITUTION

Report of: THE CITY SOLICITOR AND SECRETARY

Report reference: TC.219/01

Summary:

The Report sets out proposals to simplify and amalgamate two Charitable Trusts operating from the Longtown Community Centre under a new Scheme in the Charity Commission's approved format.

Recommendations:

It is recommended that Members note the proposals to amalgamate the two trusts currently operating from the Longtown Community Centre under the single composite scheme attached.

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Correspondence with Charity Commission on File LA 3/1 and copy Scheme from Charity Commission attached

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 This Report sets out, for information, proposed changes to the constitutional arrangements relating to the operation of the Community Centre at Longtown.
- 1.2 The changes are largely procedural in nature and are intended to tidy up the current arrangements.
- 1.3 There are in effect two trusts currently operating at the Longtown Community Centre and the new arrangements are intended to amalgamate both of them into a single and clear working constitution.
- 1.4 As mentioned above, there are currently two trusts operating from the Centre. The first is a trust relating to what is known as "The Longtown Memorial Hall Charity" which is a Registered Charity governed by a Declaration of Trust of 1925. The property comprised in the trust includes the Hall and its grounds belonging to the Charity and is governed by the rules set out in the 1925 Declaration. The legal title to the Hall is vested in two trustees (Mr R Wilson, the former Town Clerk and Chief Executive and Mr T Hazard). They are both keen to see that the land ownership is in future vested in a responsible body with a degree of permanence.
- 1.5 The second trust was effectively created, according to the Charity Commission, when the Community Centre with the blessing of the City Council some time ago adopted a constitution for the Longtown Community Centre which set out how the Centre was intended to be run. In the view of the Charity Commission, adoption of this constitution effectively created a new de facto Charitable Trust in respect of the matters covered by the constitution.
- 1.6 Officers have been in discussions over a period with the Charity Commission in connection with ensuring that the two trusts operate properly and in accordance with any requirements of the Commission. Particularly, the Officers were keen to investigate whether there was any mechanism for vesting ownership of the Longtown Memorial Hall itself in the City Council. This was thought to be desirable both to safeguard the ongoing legal ownership of the land by having the title vested in a body with some permanence and also to give the City Council, which has over the years invested considerable sums in the property, some comfort that its investment would be secure for future public use over the long term. The Commission also advised that it was inappropriate to have two trusts with overlapping objectives in existence and the position did need rationalising.

- 1.7 The advice from the Commission, therefore, was that a new Scheme should be introduced, in the Commission's model form, which would effectively amalgamate both trusts and regulate their future workings under one composite, updated constitution. A copy of the proposed Scheme setting out the new constitution is attached.
- 1.8 The Charity Commission have pointed out that it is primarily the responsibility of the current Longtown Community Centre Management Committee (on which the City Council has two representatives) to apply to the Commission to amalgamate both trusts and adopt the new Scheme.
- 1.9 The Longtown Community Management Committee have now approved the new Scheme and have asked the Commission to adopt it.
- 1.10 It is not proposed to go through the detail of the Scheme here and it is, as mentioned above, in the Commission's prescribed format. It is relevant to point out however that:
- The proposed objects of the Scheme in respect of use of the premises as a Community Centre for the inhabitants of the area as set out in paragraph 4 are consistent with the Council's objectives for the Centre.
 - The Council will continue, under paragraph 11 (1) to nominate two members to the Management Committee.
 - The arrangements provide for the legal title to the land to be held by the City Council in trust for the Charity as set out in paragraph 25 which should safeguard the future ownership and security issues referred to above.

2. CONSULTATION

Although there has been no formal consultation as such, the Longtown Management Committee have been closely involved in applying for the new Scheme to be implemented and the Charity Commission similarly have been consulted and have advised throughout on the correct process to go through.

3. STAFFING/RESOURCES COMMENTS

Not applicable.

4. CITY TREASURER'S COMMENTS

The City Treasurer has been involved in discussions relating to establishing a new Scheme for the two trusts.

5. LEGAL COMMENTS

See above.

6. CORPORATE COMMENTS

The Director of Leisure has also been closely involved in dealing with the matter opposite the Charity Commission.

7. ENVIRONMENTAL IMPLICATIONS

Not applicable.

8. RECOMMENDATIONS

It is recommended that Members note the proposals to amalgamate the two trusts currently operating from the Longtown Community Centre under the single composite scheme attached.

9. REASONS FOR RECOMMENDATIONS

The recommendations are supported both to simplify the existing constitutional position on the advice of the Charity Commission and also to provide for the legal title to the property to be vested in the City Council on trust for the Charity and so secure its long term position.

JOHN EGAN
CITY SOLICITOR AND SECRETARY

1. Definitions

In this scheme:

“the charity” means Longtown Memorial Hall Community Centre.

“the committee” means the committee of management of the Longtown Memorial Hall Community Centre.

“committee members” means the members of the committee (who are the charity trustees of the charity) acting under this scheme.

“members” means the members of the charity.

“area of benefit” means the inhabitants of the City of Carlisle and in particular the area known as Longtown and surrounding district.

2. Administration

The charity is to be administered in accordance with this scheme. This scheme replaces the former trusts of the charity.

3. The name of the charity is Longtown Memorial Hall Community Centre.

OBJECTS

4. Objects of the charity.

(1) The object of the charity is to maintain a community centre for use by the inhabitants of the area of benefit for the following purposes:

(a) for the advancement of the education of the said inhabitants.

(b) for the provision of facilities in the interests of health and social welfare for recreation and other leisure time occupation with the object of improving the conditions of life for the said inhabitants.

(2) The land identified in part 1 of the schedule must be retained by the committee for the object of the charity.

POWERS OF THE COMMITTEE

5. In addition to any powers which they have, the committee may exercise the following powers in furtherance of the objects of the charity:

- a) bring together in conference representatives of the voluntary organisations, Government departments, statutory Authorities and individuals.
- b) Arrange and provide for, either alone or with others, the holding of exhibitions, meetings, lectures, classes, seminars or training courses and all forms of recreational and other leisure- time activities.
- c) Collect and disseminate information on all matters relating to its objects and to exchange such information with other bodies having similar objects whether in the United Kingdom or elsewhere.
- d) Write, print or publish, in whatever form, such papers, books, periodicals, pamphlets or other documents, including films and recorded materials, as shall further its objects, and to issue or circulate the same whether for payment or otherwise.
- e) Raise funds and invite or receive donations and contributions, whether by subscriptions or otherwise PROVIDED THAT the Centre shall not undertake or in any way engage in any permanent trading activities in raising funds for its charitable objects.
- f) Support any charitable trusts, associations or institutions formed for all or any of the objects.
- g) Receive money on deposit or loan or overdraft in such manner as the Centre may think fit, SUBJECT TO such consents, or on such conditions as may be required by law.
- h) Invest money not immediately required for its objects in or upon such investments, securities or property as the Centre may think fit, SUBJECT NEVERTHELESS to such conditions (if any) as may for the time being be imposed by law.
- i) Borrow money, and SUBJECT TO such consents as may be required by law.
- j) Employ such persons as are necessary for the proper pursuits of the objects and make all reasonable and necessary provision for the payment of pensions for staff and their dependants.
- k) Remunerate any member of the Management Committee for services rendered to the Centre PROVIDED THAT:
 - i) such member shall not be present at or take part in any discussions or decisions relating to such remuneration.

- ii) Any decision to remunerate such member shall be taken by the other members present and voting at the meeting at which the decision is made by a majority decision.
- iii) The other members are satisfied that the level of remuneration is reasonable and proper having regard to the services rendered by such member to the Centre.
- iv) The other members are satisfied that the services rendered to the Centre are of special value to the Centre having regard to such member's ability, qualifications, or experience and/or to the level of remuneration for which he/she has agreed to provide them.
- v) The number of such members for the time being in receipt of remuneration shall not exceed a minority of the members of the Management Committee.
- l) Insure and arrange insurance cover to indemnify its employees and voluntary workers from and against all such risks incurred in the course of the performance of their duties as may be thought fit.
- m) Provide indemnity insurance for the members of the Management Committee (or any of them) out of funds of the Centre PROVIDED THAT any such insurance shall not extend to any claim arising from any act or omission which the members of the Management Committee (or any of them) knew to be a breach of duty or breach of trust which was committed by members of the Management Committee (or any of them) in reckless disregard of whether it was a breach of duty or breach of trust or not.
- n) Affiliate to the National Federation of Community Organisations (Community Matters) and to other organisations with similar charitable objects.
- o) Do all such lawful things as shall further the charitable objects of the centre.
- p) Purchase, take on lease or in exchange, hire or otherwise lawfully acquire such property or other rights and privileges as may be necessary for the promotion of its objects, and to construct, maintain or alter the same.

MEMBERSHIP

6. Membership

- (1) Membership of the charity is open to individuals over the age of 18 within the area of benefit who:
 - (a) are interested in furthering the objects and
 - (b) have paid the annual subscription agreed by the committee.

- (2) The appointment will be effective from the end of the annual general meeting at which the appointment is made.

11. Nominated committee members

- (1) One nominated committee member must be appointed by each of the following:
Arthuret Parish Council
Kirkandrews Parish Council
Cumbria County Council
Two nominated committee members must be appointed by Carlisle City Council.
- (2) Any appointment must be made in accordance with the ordinary practice of the appointing body.
- (3) An appointment must not be made within two months before the next annual general meeting.
- (4) The appointment will be effective from the later of;
(a) the end of the annual general meeting
(b) the date on which the committee or their secretary or clerk are informed of the appointment.
- (5) The person appointed need not be a member of the appointing body.

12. Co-opted committee members

The appointment of a co-opted committee member must be made by the committee at a special meeting called under clause 19. The appointment will be effective from the end of that meeting until the end of the following annual general meeting.

13 New committee members

The committee must give each new committee member on their first appointment:

- (1) A copy of this scheme and any amendments made to it.
- (2) A copy of the charity's latest report and statement of accounts.

14. Register of committee members.

- (1) The committee must keep a register of the name and address of every committee member and
(a) the dates on which their term of office began; and

- (b) the dates of the annual general meeting at which their term of office ends.

Every committee member must sign the register before acting as a committee member, whether on their first appointment or on any later re-appointment.

(2) The committee must promptly report any vacancy in the office of nominated member to the body entitled to appoint the committee member.

15. Committee members not to have a personal interest.

Except with the written approval of the Commissioners no committee member may:

- (1) receive any benefit in money or in kind from the charity; or
- (2) have a financial interest in the supply of goods or services to the charity ; or
- (3) acquire or hold any interest in property of the charity (except in order to hold it as a trustee of the charity).

16. Termination of committee membership.

A committee member will cease to be a member if he or she:

- (1) Is disqualified from acting as a trustee by section 72 of the Charities Act 1993; or
- (2) Is absent without the permission of the members from all their meetings held within a period of six months and the members resolve that his or her office be vacated; or
- (3) Gives not less than one month's notice in writing of his or her intention to resign (but only if at least six members will remain in office when the notice of resignation is to take effect).

MEETINGS OF THE COMMITTEE

17. Chairman

(1) The chairman of the charity will be chairman of the meetings of the committee.

(2) The committee members present at a meeting must elect one of their number to chair the meeting if the chairman is not present or the office of chairman is vacant.

18. Ordinary meetings

- (1) The committee must hold at least four ordinary meetings in each year.
- (2) Ordinary meetings require at least ten day's notice
- (3) The chairman, or any three committee members, may call an ordinary meeting at any time.

19. Special meetings

- (1) The chairman, or any three committee members, may call a special meeting at any time.
- (2) Special meetings require at least seven day's notice, except that meetings to consider:
 - (a) the appointment of a co-opted committee member, or
 - (b) the amendment of this schemerequire at least twenty one day's notice.
- (4) The notice calling a special meeting must include details of:
 - (a) the business to be transacted at the meeting; and
 - (b) any amendment to be made to this scheme.
- (5) A special meeting may, but need not, be held immediately before or after an ordinary meeting.

20. Quorum

No business can be transacted at a meeting unless there are present at least one-third of the total number of committee members.

21. Voting

Subject to the power contained in clause 5 of this scheme, every matter must be decided by majority decision of the committee members present and voting at a duly convened meeting of the committee.

22. Recording of meetings.

The committee must keep a proper record of its meetings.

23. Committee members to act jointly.

The committee members must exercise their powers jointly, at properly convened meetings.

ANNUAL AND SPECIAL GENERAL MEETING

24. Annual and special general meetings.

- (1) There must be an annual general meeting of the Charity in September of each year, or as soon as possible thereafter. Every meeting must be called by the committee.
- (2) A special general meeting may be called by:
 - (a) the committee
 - (b) the secretary, if at least ten members request such a meeting.The notice of the meeting must state the business to be discussed
- (3) All members must be allowed to attend and vote at the meeting.
- (4) At least twenty one day's notice of the meeting must be given to all members.
- (5) The chairman of the meeting will be the chairman of the committee.
- (6) Every matter must be decided by the majority decision of those present and voting.
- (7) At the annual general meeting the committee must present the report and accounts for the last financial year.
- (8) Nominations for election to the committee (which may only be made by members) must be given in writing to the secretary at least fourteen days before the annual general meeting. Unless those present decide otherwise, election must be by ballot if nominations exceed vacancies.

CHARITY PROPERTY

25. Transfer of the property

The title to the land described in part 1 of the schedule to this scheme is transferred by this scheme to Carlisle City Council in trust for the charity.

26. Use of income and capital

- (1) the committee must firstly apply:
 - (a) the charity's income; and
 - (b) if the committee think fit, its expendable endowment; and
 - (c) when the expenditure can properly be charged to its permanent endowment

in meeting the proper costs of administering the charity (and managing its assets (including the repair and insurance of its buildings)

- (2) After payment of these costs, the committee must apply the remaining income in furthering the object of the charity.
- (3) The committee may also apply for the objects of the charity;
 - (a) expendable endowment; and
 - (b) permanent endowment, but only on such terms for the replacement of the amount spent as the Commission may approve by order in advance.

AMENDMENT OF SCHEME

27. Amendment of scheme.

- (1) Subject to the provisions of this clause, the committee may amend the provisions of this scheme.
- (2) Any amendment must be made under the authority of a resolution passed at the annual general meeting or a special general meeting. The notice of the meeting must include notice of the resolution, setting out the terms of the amendment proposed.
- (3) The committee must not make any amendments which would:
 - (a) vary this clause
 - (b) vary the definitions clause and the charity's purposes.
 - (c) confer a power to dissolve the charity.
 - (d) Enable them to spend permanent endowment of the charity.
- (4) The committee must obtain the prior written approval of the Commissioners before making any amendment which would:
 - (a) affect the composition of the committee or the terms on which the committee members hold office.
 - (b) vary the power to remunerate the committee members in clause 4 of this scheme.
 - (c) vary clause 4 of the scheme (committee members not to have a personal interest.
 - (d) vary the name of the charity.
 - (e) vary the committee's powers of investment.
 - (f) change the area of benefit.
- (5) the committee must:

- (a) promptly send to the Commissioners a copy of any amendment made under this clause; and
- (b) keep a copy of any such amendment with this scheme.

GENERAL PROVISIONS

28. Questions relating to the scheme.

The Commissioners may decide any question put to them concerning:

- (1) the interpretation of this scheme; or
- (2) the propriety or validity of anything done or intended to be done under it.