



**NOTES** of a meeting between **Robert Horn from Action in Rural Sussex (AiRS)**, the **Winterton Hall Management Committee (WHMC)** and **Plaistow Youth Club (YC)** held on **Thursday 18<sup>th</sup> May 2023** at 18:15, Winterton Hall, Plaistow.

**Present** Robert Horn (AiRS); Sallie Baker (Chair of WHMC); Sally Stapleton (WHMC); Wendy Lockwood (WHMC); Bev Weddell (WHMC); Ali Dormon (WHMC); Tor Campling (YC); Jo Maiklem (YC); and Catherine Nutting, Clerk of Plaistow and Ifold Parish Council.

- Discussion points**
- Catherine advised of the Parish Council's position as outlined in the minutes of 08.06.2022, C/22/086 and 11.01.2023, C/23/014; namely, that the Parish Council does not wish to consider becoming the Sole Trustee of the WH at this juncture but will support the WHMC to put in place the requirements to allow the Hall to manage itself and alleviate the pressures on individual committee members. The Parish Council will fund the legal and/or AiRS fees required to secure the future of the Charity and administration of the Trust.
  - Both the WH and YC are unincorporated charitable trusts. The Trusts are not legal entities and therefore cannot hold title to land or enter contracts.
  - Both trusts have a Custodian Trustee which lends its legal identity to allow the Trust to hold property. The Custodian Trustee has no management authority: -
    - The Parish Council is the WH's Custodian Trustee.
    - The YC needs to confirm the identity of its Custodian Trustee (who could be one of the founding individuals who set up the YC Trust). If the YC is unable to ascertain this information, they can apply to the Charity Commission to become its Custodian Trustee, which is a free service offered.
  - When either charity enters into contracts e.g., with contactors it is the individual Trustees as a collective who form the contract and not the charity in its own right. All Trustees are jointly and severally liable.
  - As unincorporated charitable trusts, the WH and YC Trustees have unlimited liability. However, they have Indemnity Insurance in place, as well as the protection afforded by the various Charity Acts and the Charity Commission - who can absolve liability and approve the sale of the trust asset to defend any

action against the Trustees.

- Trustees were reassured that the level of protection is relatively comprehensive, and that Trustees must act negligently and/or criminally to find themselves in trouble.
- Nevertheless, it was agreed that unlimited personal liability is not an attractive 'sales pitch' for potential new Trustees or the existing members - who voiced their concerns/reluctance to sign the Trustee Declaration at the AGM in June. Robert explained that anyone *acting* as a Trustee, regardless of having signed the Declaration or not, would still be held liable.
- Each charity must have a minimum of 3 Trustees (who cannot be connected either by business, relationship or familial). Trustees have a duty to find replacements before leaving, otherwise it would be a breach of trust. It is a breach of trust to cause the trust to fail / not act in its best interest. However, if the Trustees could not find anyone to take the roles, they could apply to the Charity Commission for support (and the Parish Council e.g., to become the Sole Trustee).
- The meeting discussed the benefits of becoming **Charitable Incorporated Organisations (CIO)**. If the WH and YC became CIOs, the charities would be incorporated, have their own legal identity, and could therefore hold land (there would be no need for either the Parish Council, an individual or the Charity Commission to be the Custodian Trustees) and enter contracts (not as individual Trustees). Trustees would have limited liability (usually zero or £1).
- Many external bodies who provide grant funding prefer charities to be incorporated.
- If the WH and YC became CIOs, the Parish Council could still become the Sole Trustee in the future, if this became necessary.
- The meeting discussed other options to achieve incorporation and limited liability, e.g., a charitable company limited by guarantee. However, the charity would be governed by both company and charity law, which could be onerous.
- The meeting discussed the possibility and benefits of both the WH and YC becoming one CIO and having sub-committees to run the different YC and hall elements. Discussion was had about how funds would be held if they became one CIO.

- Robert explained the process to set up an CIO i.e., set up a CIO and then transfer the assets from the old charities (WH and YC) into the new CIO and then merge the old charities into the CIO as well. This would prevent the loss of any bequests left to the previous charities, which would happen if the old charities were 'closed down' and therefore ceased to exist.
- AiRS can support both the WH and YC to become either separate CIOs or consolidated into one CIO (depending on their decision). The process would require some solicitor support; however, AiRS could do the majority of the 'leg work' to reduce solicitor time/cost. AiRS charges £410+VAT per day and it could take 2-3 days.
- The CIO(s) would have new governing documents. The Charity Commission has templates, which aim to standardise governing documents. There are options to choose some parts and guidance regarding the mandatory elements.
- Robert advised on the two CIO charity models: Foundation and Association. The 'foundation' model is for charities whose only voting members will be the charity trustees; the 'association' model is for charities that will have a wider membership, including voting members other than the charity trustees.
- Action with Communities in Rural England ([ACRE](#)) has a hybrid model which is well suited to community halls, and this is the option he recommends.
- The meeting discussed the need to register the WH with HM Land Registry and the YC's lease for the tennis court.
- The meeting discussed the renewal of the tennis court lease and the benefit of doing so before it officially ends in 2027. Such a renewal would be necessary if the YC became an CIO. The solicitor previously advised the Parish Council: - *"The land at the rear and surrounding the Hall is owned by Anne Elizabeth Luttman-Johnson and Lucilla Jane Luttman-Johnson as Trustees of the Luttman-Johnson 1998 Grandchildren's Settlement. They also own the land at the rear of the pond. The land immediately at the rear of the Winterton Hall is leased to the Trustees of the Youth Club for 30 years from the 10<sup>th</sup> March 1997. It therefore expires in 2027 (subject to earlier determination if Planning permission is obtained for the adjoining land)".*
- If original documents cannot be found, then sworn affidavits from those around at the time agreements were made are required.
- The meeting discussed the benefits of targeting individuals – in person - to

ask for voluntary help with a specific task for a specific occasion, rather than requiring a large cohort of Trustees to do 'everything'. This 'model' of obtaining support seems to work.

- The meeting discussed robust and honest advertising to recruit new Trustees / attend the AGM and support events - 'use it or lose it'.
- The meeting discussed 'Hall Master' – an online booking system which can help alleviate the time pressures of booking and invoice administration and can help to 'secure' bookings, as this can be done online and is not reliant upon someone answering a call.
- The meeting discussed the need for both the WH and YC to get their 'ducks in a row' e.g., ensure the trustees are correctly stated on the Charity Commission's website.

#### **Actions**

- WH to update the Charity Commission website with the correct Trustees.
- Both YC and WH to hold committee meetings (separately) to discuss and agree the way forward – either as separate CIOs or to become one CIO.
- The YC to make enquiries regarding the identity of its Custodian Trustee.
- Catherine (PC) to find out from the PC's webhosting company (TEEC) about the possibility of hosting a page for the WH.
- Catherine (PC) to register the WH with HM Land Registry.
- Robert to advise on fees to support the set up of CIOs.
- Catherine to bring matters/costs to the PC's attention and ascertain the Council's position.

The meeting closed at 21:30