

Guilsfield Community Centre Trustees

Public Consultation On The Future Powers of the Trust

Questions & Answers Sheet

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7th January 2021 – Issue No 1 – Replaces all previous Issue 1

The Trustees have prepared this document in anticipation of the questions that came up during our many discussions internally and informally with the interested organisations. It needs to be read alongside the main consultation document.

What is a CY Pres scheme?

This is an application made by a charity or charitable trust to allow them to hold, transfer or otherwise acquire property for the charitable purpose when this is not currently permitted within the Governing Document. This is the heart of the impasse with the situation in Guilsfield.

Why has this taken so long?

As outlined in the consultation documents the issue had been problematic for a long time but not been possible to resolve. The current Trustees have only been able to start this process since their appointment at the crisis meeting in December 2018. The whole issue was entirely new to them. Plus there were pressing problems with regard to financial stability / liquidity of the Trust that had to be resolved in order to make process.

Why is this an issue now?

Again as outlined in the consultation document the problem had been building for some time. Once the Charity Commission became involved it had to be formally resolved rather than endlessly deferred.

Who caused the problem?

The Trustees feel that the only way to properly resolve the matter is to focus on the facts of the situation. The Trustees have satisfied themselves that the actions of previous Trustees were all taken in good faith with the intention of satisfying the charitable requirements of the Trust. They followed advice and support from outside the trust that, in retrospect, may have been given without knowing the full picture. It is only with hindsight that we now know that the actions were beyond the powers of the Trustees at the time.

Why did no one check these things at the time?

As with the previous answer the Trustees are satisfied that all actions were taken with the best intentions. It is only with the benefit of hindsight that we can see that missteps were taken. We can't undo these. The Trust going forward will ensure proper checks and balances are in place.

How can you prevent this happening again?

The consultation document sets out a new proposed internal structure so that day to day activities are managed efficiently but there is also strategic oversight to continuously check that the activities and actions continue to satisfy the purposes of the Trust Governing Document(s).

How does this affect my club / society?

Your club / society is an independent organisation and is able to use the facilities as required from time to time. But that activity must comply with the overall requirements of the Trust Document and be financially viable for the Trust. Also any fixed or semi-fixed equipment will need to be managed in agreement with the Trust with regard to both long and short term. But this is no different to previously agreed ad hoc arrangements. The most important thing is that your club / society puts forward a Trustee so that you are actively involved in the decision making of the Trust.

Why does the Trust charge VAT?

The trust previously entered a VAT scheme around the time of the building of the new changing facilities in order to reclaim VAT and help to finance this and some other projects. Unfortunately this scheme must run to 2026 and under the scheme VAT must be charged to all users. This is unavoidable. The cost of early exit of the scheme is substantially greater than the funds available to the Trust. Therefore the Trustees cannot withdraw from the scheme as the Trust would be made insolvent. That is contrary to the powers of any charitable trust.

You describe two management sub groups in the proposed route forward what would be their responsibilities?

It is clear that after the changing rooms were moved out to the new building the activities in the centre and the sports activities on the outside lands are, in effect, not connected with regard to day to day operations. It makes sense therefore to create groups, reporting to the Trust as a whole and containing Trustees to make the day to day decisions on the running of the facilities for example their repair & maintenance, charges for use etc. However they will be expected to operate through the Trust Treasurer and be financially viable. All capital investments and projects will require the approval of the Trust as a whole. The Trust MUST ensure that the activities comply with the charitable purposes outlined in the Trust Document.

Why can't we simply create a separate Sports and Recreation Association to take over the Outside Lands and run them as a separate organisation?

In many ways this would have been the cleanest and most ideal solution. A large part of the time since the end of 2018 has been taken up trying to demonstrate the need for this with the Charity Commission. Given that the Outside Lands still sit on the Trust Balance Sheet and that the Land Registry entries were made by Trustees on behalf of the Trust it has been firmly pointed out that this step cannot be made because of the general obligations of charitable Trusts and their Trustees with regard to preservation of Trust assets and adherence to the Trust's Charitable purposes. The Trustees are therefore compelled to fall back on the proposals outlined in the consultation document in order to regularise the ownership and leasing of the Outside Lands.

What if the consultation process does not support the actions proposed by the Trust?

The Trustees sincerely believe that this is the only viable way forward. Every response to the consultation must be considered as part of the Trustees decision making process. We would need to take further advice from the Charity Commission if there was little support or even just a significant

dissent from the course of action proposed. They may advise that we have consulted correctly and that we should proceed anyway with provisions in place to address any concerns raised. If we can't proceed we are in uncharted waters and may be back to the point in December 2018 when the facilities were at risk of closure. We simply do not know.

Can things be changed in future?

The short answer is yes. But in reality a similar process would be needed to justify any changes affecting the charitable purpose or the use and disposal or acquisition of Trust Assets. There is a natural break in the time line in 2026 when the Lease with PCC is renewed and when the VAT scheme ends which will give more room for manoeuvre. We do emphasise that any changes MUST satisfy the provisions and objectives of the Governing Document.

How does this affect the school?

In practice we believe that there are no negative implications for Guilsfield School. School activities are clearly highly dependent on the Community Centre. The Lease document clearly prioritises school use of the Centre itself during school hours. The development of the new early years facility will make separate provision within school for that. The needs of the school and most importantly learners – young members of our community – should be enhanced by getting some resolution to this problem. The energy in the Trust can be focused on enhancing and improving the facilities in the Centre and Outside for all members of the community.

Will one part of the new organisation subsidise the other?

Again the simple answer is no. Clearly it is important that all users “pay their way” and the Trust would need to ensure that one group's activities are not a disproportionate drain on Trust resources. The new proposed management structure will clarify this situation by running separate sets of accounts to be consolidated into the annual accounts of the Trust.

How will we know if problems are occurring again?

The only way to prevent this happening is for active involvement in the Trust and management groups by all eligible parties. The proposed structure means that as day to day activities are taken care of the Trust itself will be able to focus more clearly on the strategic points of compliance with the Governing Document (s) , satisfying the charitable purpose and financial stability / solvency.

Some groups do a lot of work in the background with regard to the facilities offered to the benefit of all groups how can this be reconciled?

That is always the case in complex organisations and harmonious and generous relations between the groups is the best way forward. It is clear that considerable discussion needs to take place with regard to recognising these contributions particularly when the cash and time commitment is large. The Trustees can only focus on this when / if their power to do so is made legitimate.

How do you ensure equitable access to the facilities for all residents and organisations within the community?

Similar to the previous answer the Trust MUST satisfy it's responsibility to offer facilities to the whole community and will take over sight on how this is achieved. A balance needs to be struck with regard to access and maintaining the absolute quality of the facilities, particularly the outdoor playing surfaces. The Trust can only act if / when it's powers are confirmed.