

Ward: All Wells wards

Portfolio: Finance, Governance and Corporate Services

FROM: Chair of the Wells Recreation Ground Trust Committee

Date: 17/12/2018

SUBJECT: WRG Governance - New Scheme

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Report Sign off	Seen by:	Name	Date
	Legal	Alex Kershaw Moore	22/11/18
	Finance	Duncan Moss	30/11/18
	Deputy Chief Executive	Donna Nolan	26/11/18
	Group Manager	Sara Skirton	30/11/18
Summary:	<p>The Council is the Trustee of the Wells Recreation Ground.</p> <p>This report seeks Trustee approval of a New Scheme and supporting Governing Document for the charity Wells Recreation Ground. It is proposed that the latter would be a replacement to Section 24 of the Council's Constitution.</p> <p>These new governance documents would provide the charity with a modern set of rules for day-to-day operations, rather than a reliance on Victorian conveyances which do not contain any governing provisions.</p> <p>Both documents were endorsed by the WRGT Committee at their meeting on 25 September 2018.</p> <p>Once approved by the Council as Trustee, the Charity Commission would be updated and asked to publish the New Scheme.</p>		
Recommendation:	<p>IT IS RECOMMENDED:</p> <ol style="list-style-type: none"> 1. That Pursuant to section 70(2)(a) of the Charities Act 2011 that, it being in the best interests of the charity, the Trustee should apply for a new Scheme in order to confirm the charitable purposes of the charity and to confirm the powers of the Trustee in relation to the disposal of the charity's land. 2. That the Trustee approves the draft New Scheme and supporting Governing Document and then asks the Charity Commission to publish the Scheme in accordance with its usual scheme-making process. 3. That Section 24 of the Council's constitution is replaced with Appendix B. 		

Direct and/or indirect impact on service delivery to our customers and communities	The New Scheme allows for up to three independent members to sit on the WRGT Committee enabling the wider community to take part in the day-to-day running of the charity.
Financial Implications:	None.
Legal Implications:	<p>The Council as Trustee of the Wells Recreation Ground Trust needs to act in the best interests of the charity. The charity's land was given in two Victorian conveyances which do not contain any governing provisions, this is why a New Scheme was requested from the Charity Commission to confirm the charitable purposes of the charity and the powers of the Trustee.</p> <p>Supporting the New Scheme is a Governing Document which has been prepared by external lawyers Veale Wasbrough Vizards. The Governing Document provides a modern set of rules for day-to-day management of the charity.</p> <p>The new documents clarify:</p> <ul style="list-style-type: none"> • That the Council is the Trustee • That the WRGT Committee is the Managing Committee <p>Once the draft New Scheme is approved by the Trustee, the following actions would be required:</p> <ol style="list-style-type: none"> a) To update the Charity Commission and ask them to publish the New Scheme in accordance with their usual scheme-making process. b) To amend Section 24 of the Council's constitution to reflect changes to the membership and voting rights of the WRGT Committee.
Crime and Disorder Implications:	None.
Equalities Implications:	<p>The independent members will add diversity to the membership of the WRGT Committee</p> <p>Improved diversity would ensure that the charity better follows the principles of equality and diversity as set out in UK law, including meeting the protected characteristics under the Equalities Act 2010 and Principle 6 of the Charity Governance Code.</p>
Risk Assessment and Adverse Impact on Corporate Actions:	This is an opportunity to provide the charity with governing provisions and a modern set of rules. This will enhance corporate management of the charity and help mitigate risk.

INTRODUCTION

The Council is the Trustee of the Wells Recreation Ground.

This report seeks Trustee approval of a New Scheme and supporting Governing Document for the charity Wells Recreation Ground. It is proposed that the latter would be a replacement to Section 24 of the Council's Constitution.

These new governance documents would provide the charity with a modern set of rules for day-to-day operations, rather than a reliance on Victorian conveyances which do not contain any governing provisions.

Both documents were endorsed by the WRGT Committee at their meeting on 25 September 2018.

Once approved by the Council as Trustee, the Charity Commission would be updated and asked to publish the New Scheme.

DRAFT NEW SCHEME

The final draft New Scheme is included at Appendix A.

It would replace the Victorian conveyances and explains that:

- The Trustee is Mendip District Council. (Section 6).
- The Trust can dispose of the 'side' which is the permanent endowment (i.e. the grassed side with the play area and kick-about area) only if an equivalent replacement is provided. (Section 4).
- The Trust may dispose of the 'side' where the Bishop's Barn and bandstand are located and that no replacement is required. (Section 5).

Members should note it is a standard Charity Commission approach to clarify the position on disposal and replacement of charity assets in New Schemes of this nature.

DRAFT REPLACEMENT TO SECTION 24 OF THE CONSTITUTION

The proposal is to replace Section 24 of the Council's Constitution with the new Governing Document. A draft replacement is included at Appendix B.

The Governing Document supports the New Scheme. It provides a modern set of operating rules for the charity, incorporating existing powers and processes and also clarifying the roles of the Trustee and Managing Committee.

Members are asked to note the following:

- That the WRGT Committee is the Managing Committee. (Section 7)
- The Committee would comprise a maximum of ten members. (Section 9.2)
- There would be no "Ward member" sitting on the Committee (as required under the existing Terms of Reference at Section 24 of the Council's Constitution)
- There would be the new addition of up to three independent members sitting on the Committee (Section 9.2.6).
- The Trustee would continue to appoint the Committee (section 9.10.1); and the independent members would be appointed in accordance with such rules or regulations approved by the Committee from time to time. (Section 9.3).

- All members of the Committee would have full voting rights. (Section 10.4).
- The extent of delegation to the Committee is given to it by the Trustee in the best interests of the charity. (Sections 9.8 and 9.9).
- Significant decisions are still reserved for the Trustee. (Section 9.10).

WRGT COMMITTEE MEMBERS AT DECEMBER 2018

Positions on the WRGT Committee are currently filled as follows:

Position	Name of member
Portfolio Holder for Finance Governance and Corporate Services	John Parham
Portfolio Holder for Neighbourhood and Community Health Services	Nigel Taylor
Leader of the Council	Harvey Siggs
District Councillor – Ward Wells Central	John North
District Councillor – Ward Wells St Cuthbert's	John Osman
District Councillor – Ward Wells St Thomas	Tom Ronan
Wells City Council representatives (up to 2)	Celia Wride Tony Robbins
Independent members (up to 3)	To be appointed after the New Scheme has been approved.

Please note that under the Governing Document rules, the WRGT Committee need to approve rules or regulations for appointing the independent members. (Section 9.2.6 of the Governing document).

CONCLUSION

The New Scheme provides the Council as Trustee with a governing document confirming the charitable purposes of the charity and confirms the powers of the trustee in relation to the disposal of the charity's land. The supporting Governing Document would provide the WRGT Committee as the Managing Committee with a modern set of rules.

It is recommended that the Council as Trustee acts in the best interests of the charity and approves the adoption of the draft New Scheme and the Governing Document. The latter would be a replacement to Section 24 of the Council's Constitution.

Once the Trustee has approved the draft New Scheme, the next step is to ask the Charity Commission to publish the Scheme in accordance with its usual scheme-making process.

RECOMMENDATION

IT IS RECOMMENDED:

1. That Pursuant to section 70(2)(a) of the Charities Act 2011 that, it being in the best interests of the charity, the Trustee should apply for a new Scheme in order to confirm the charitable purposes of the charity and to confirm the powers of the Trustee in relation to the disposal of the charity's land.
2. That the Trustee approves the draft New Scheme and supporting Governing Document and then asks the Charity Commission to publish the Scheme in accordance with its usual scheme-making process.
3. That Section 24 of the Council's constitution is replaced with Appendix B.

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Background Papers

Appendix A: Draft New Scheme
Appendix B: Draft Replacement to Section 24 of the Constitution