

## SECTION 24

### TERMS OF REFERENCE FOR THE WELLS RECREATION GROUND TRUST COMMITTEE

#### WELLS RECREATION GROUND (Registered Charity Number: 284947)

##### 1. The Charity

By two conveyances dated 10 November 1887 and 3 May 1897 for land comprising what is now known as the Wells Recreation Ground, including the Bishops Barn, was conveyed to the Mayor Aldermen and Citizens of Wells.

Following local government re-organisation in 1974, the Municipal Borough of Wells and the Wells Rural District merged along with other areas to form Mendip District Council under the Local Government Act 1972. The District Council is the statutory successor and therefore became the sole Trustee of the charity.

##### 2. The Object

The provision and maintenance of a recreation ground for the inhabitants of the area of benefit and in the interests of social welfare, to improve the conditions of life for the inhabitants of the area of benefit without distinction of political, religious or other opinions.

##### 3. The New Scheme

This governs the charity known as Wells Recreation Ground and replaces the two Victorian conveyances.

##### 4. The Governing Document (Section 24 of the Constitution)

This document supports the New Scheme. It provides the WRGT Committee with a set of modern rules for the day-to-day running of the charity and sets out the roles and powers of the Trustee and Managing Committee.

##### 5. The Trustee

Mendip District Council is the Trustee.

##### 6. The Managing Committee

The WRGT Committee is the Managing Committee.

**MENDIP DISTRICT COUNCIL  
COUNCIL MEETING 17  
DECEMBER 2018**

**Wells Recreation Ground (Registered charity number 284947)  
Draft Governing Document**

**1 Interpretation**

1.1 In these Rules, the following expressions have the following meanings:

<b>Area of benefit:</b>	means the City of Wells and the surrounding area
<b>Cabinet:</b>	means the principal decision-making body of the Council (in its capacity as a local authority)
<b>Charity:</b>	means the charitable trust known as "Wells Recreation Ground" and governed by the Scheme and these Rules
<b>Charity trustees:</b>	has the meaning prescribed by section 177 of the Charities Act
<b>Charities Act:</b>	means the Charities Act 2011
<b>Charity Commission:</b>	means the Charity Commission for England and Wales
<b>Conflict of Interest:</b>	means any direct or indirect interest of the Trustee or a Connected Person (including any interest of the Trustee or a Connected Person may have as a consequence of any duty he or she may owe to any other person) that conflicts, or may conflict, with the interests of the Charity and includes a conflict of interest and duty and a conflict of duties
<b>Connected Person:</b>	means any person falling within one of the following categories: <ul style="list-style-type: none"><li>(a) a member, official, officer, employee or director of the Council (including a Councillor and an Independent Member); or</li><li>(b) any company which is subject to the "control" of the Council or subject to the "influence" of the Council as these terms are defined in Part V of the Local Government and Housing Act 1989; or</li><li>(c) any LLP or partnership of which the Council is a member or partner; and</li></ul>

any person who is a Connected Person in relation to the Trustee is referred to in these Rules as **Connected** to the Trustee

- Council:** means Mendip District Council (which expression shall include any other authority or body which acts as successor to Mendip District Council)
- Councillor:** means an individual who has been elected by the residents of a Ward to serve a term of office as their representative on the Council
- Independent Member:** means an individual appointed to the Managing Committee and who are not a Councillor, official, officer, employee or director of the Council (and "**Independent Members**" means all of them)
- Managing Committee:** means the committee established by the Trustee in accordance with Rule 9.1 of these Rules
- Objects:** means the charitable purposes of the Charity contained in clause 3 of the Scheme
- Property:** means all of the land and buildings comprised in Land Registry title number WS57546
- these Rules:** means these rules governing the Charity
- Scheme:** means the scheme authorised by the Charity Commission on [DATE]
- Trustee:** has the meaning given in Rule 7 of these Rules
- Trust Fund:** means:
- (a) the assets listed in Schedule 1 of these Rules;
  - (b) all further assets added, whether by way of further settlement, capital accretion or otherwise; and
  - (c) the assets from time to time representing these respectively
- Ward:** means an electoral division of the Council's area

1.2 In these Rules references to an Act of Parliament are references to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

## 2 **Name**

- 2.1 The name of the Charity is the Wells Recreation Ground (or such other name chosen by the Trustee from time to time). (NOTE: Current Regulations refer to the Charity Commission's consent being required to a change of name.)

## 3 **Administration**

- 3.1 The Charity is to be administered in accordance with the Scheme and these Rules.
- 3.2 These Rules shall replace all previous rules and regulations made by the Council in respect of the Charity.

## 4 **Objects**

- 4.1 The charitable objects of the Charity are the Objects set out in the Scheme, which for the avoidance of doubt are, in summary:

*The provision and maintenance of a recreation ground for the inhabitants of the area of benefit and in the interests of social welfare, to improve the conditions of life for the inhabitants of the area of benefit without distinction of political, religious or other opinions.*

## 5 **Application of the Trust Fund**

- 5.1 The Trustee shall apply the Trust Fund in accordance with clause 7 of the Scheme.

## 6 **Powers**

- 6.1 Subject to the powers contained in the Scheme relating to the disposal of the Charity's land and in addition to any other powers which it has, the Trustee may exercise the following powers in furtherance of the Objects:
- 6.1.1 to acquire, rent or hire property of any kind;
  - 6.1.2 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act);
  - 6.1.3 to maintain, develop, conserve, preserve, restore and repair any property or assets comprising the Trust Fund;
  - 6.1.4 to provide , operate and develop community buildings and such other venues and facilities for the provision of classes, courses, lectures, conferences, productions, tours, exhibitions and other events which promote the Objects;
  - 6.1.5 to borrow money and to give security for loans, grants and other obligations over the assets of the Charity (but only in accordance with the restrictions imposed by the Charities Act 2011) provided that the Trustee may not use the Trust Fund as security or collateral for its own statutory obligations as local authority, including any borrowing;
  - 6.1.6 to make loans of money and give credit and to give guarantees or security for the performance of any obligations by any person or company;
  - 6.1.7 to set aside all or any part of the Trust Fund for special purposes or as reserves against future expenditure, but only in accordance with a written policy on reserves;

- 6.1.8 to cooperate with and enter into joint ventures, collaborations and partnerships with governmental and local authorities and with charitable and non-charitable bodies;
- 6.1.9 to deposit or invest all or any part of the Trust Fund in any manner (but to invest only after taking such advice as the Trustees consider is reasonably necessary from such person as is reasonably believed by the Trustee to be qualified to give it by his or her ability in and practical experience or financial and other relevant matters);
- 6.1.10 to adopt a total return approach to investment in relation to any available endowment fund (as defined in section 104A(5) of the Charities Act) of the Charity pursuant to a resolution passed in accordance with section 104A(2) of the Charities Act and the Charities (Total Return) Regulations 2013;
- 6.1.11 to delegate the management of investments to any person (an "**Investment Manager**") provided that:
  - (a) the Investment Manager is authorised to carry on investment business under the provisions of the Financial Services and Markets Act 2000;
  - (b) the investment policy is set out in writing by the Trustee;
  - (c) the performance of the investments is reviewed regularly with the Trustee;
  - (d) the investment policy and the delegation arrangement are reviewed at least once a year;
  - (e) all payments due to the Investment Manager are on a scale or at a level which is agreed in advance and are notified promptly to the Trustee on receipt by the Investment Manager; and
  - (f) the Investment Manager must not do anything outside the powers of the Trustee;
- 6.1.12 to arrange for all or any part of the Trust Fund to be held in the name of a nominee (being a corporate body registered or having established place of business in England and Wales) under the control of the Trustee or of any person to whom the management of investments is delegated and to pay any reasonable fee required;
- 6.1.13 to insure the Trust Fund against any foreseeable risk and take out other insurance policies to protect the Trust Fund when required;
- 6.1.14 to make grants, donations, awards or prizes;
- 6.1.15 to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes within the Objects;
- 6.1.16 to raise funds;
- 6.1.17 to solicit and accept grants, donations, endowments, gifts, legacies and bequests of assets on any terms;
- 6.1.18 to enter into contracts to provide services to or on behalf of other bodies;
- 6.1.19 to establish or acquire subsidiary companies;

- 6.1.20 to establish such advisory committees as the Trustee thinks fit;
- 6.1.21 to open and operate bank accounts and banking facilities;
- 6.1.22 to enter into any licence or sponsorship agreement;
- 6.1.23 to enter into any contract or agreement (including any finance lease);
- 6.1.24 to publish or distribute information in any form;
- 6.1.25 to do all such other things permitted by law as are incidental or conducive to the attainment of the Objects.

## **7 The Trustee**

- 7.1 The Council is the trustee of the Charity and as charity trustee is responsible for the management and control of the Charity and the Trust Fund.

## **8 Administrative powers of the Trustee**

- 8.1 The Trustee may from time to time make and amend such rules in relation to the administration of the Trust Fund as it shall in its absolute discretion think fit.
- 8.2 The Trustee shall be entitled to make decisions and otherwise regulate its management and control of the Trust Fund in such manner as it shall in its absolute discretion think fit.
- 8.3 Subject to clauses 6.1.11 and 9, the Trustee may from time to time delegate any of the powers conferred on it by the Scheme, these Rules or by law to such person (including any employee or committee of the Trustee), by such means, to such an extent, in relation to such matters and on such terms of reference as the Trustee thinks fit. The Trustee may at any time revoke any delegation in whole or in part or alter its terms.

## **9 Delegation**

- 9.1 Subject to Rules 9.9 and 9.10 below, the Trustee may delegate responsibility for the day-to-day management of the Charity's activities to a committee of the Council which shall at all times comprise both Councillors and Council officials and Independent Members (the "**Managing Committee**") in accordance with Rule 9.2 below.

### **Composition of the Managing Committee**

- 9.2 From the date of adoption of these Rules, the Managing Committee members shall comprise:
  - 9.2.1 the leader of the Council from time to time on an ex-officio basis;
  - 9.2.2 the individual holding the position of the Portfolio Holder for Finance, Governance and Corporate Services at the Council from time to time on an ex-officio basis;
  - 9.2.3 the individual holding the position of the Portfolio Holder for Neighbourhood and Community Health Services at the Council from time to time on an ex-officio basis;
  - 9.2.4 subject to Rule 9.4 below, a Councillor from each of the following Wards:
    - (a) Wells Central;
    - (b) St Cuthbert's; and

(c) St Thomas;

9.2.5 up to 2 representatives of Wells City Council; and

9.2.6 up to 3 Independent Members appointed in accordance with such rules or regulations approved by the Managing Committee from time to time.

9.3 The Managing Committee will comprise of ten members, with the number of independent members making up membership to the maximum number, subject to 9.2.6 above.

9.4 The members of the Managing Committee to be appointed under Rules 9.2.4 and 9.2.5 (a) to (c) above shall be appointed by the Council in accordance with its usual procedures.

9.5 An individual shall not be appointed by the Council in accordance with Rules 9.2.5 (a) to (c) above, if a Councillor from any of the Wards listed have already been appointed to the Managing Committee or is a member of the Managing Committee on an ex-officio basis.

9.6 The Council shall at all times ensure that there are sufficient Independent Members to form a quorum for the duration of any meeting of the Managing Committee where the other members of the Managing Committee have or may have a Conflict of Interest.

9.7 For the avoidance of doubt, notwithstanding any specific duties and functions delegated to the Managing Committee, responsibility for the management and administration of the Charity shall remain with the Council as Trustee.

#### **Extent of delegation to the Managing Committee**

9.8 Subject to Rule 9.9 below, the Managing Committee may exercise any of the powers of the Trustee in the best interests of the Charity.

9.9 The Managing Committee must act in accordance with the directions given to it by the Trustee from time to time.

9.10 The following decisions in respect of the Charity shall, subject to any Conflicts of Interest arising, be reserved to the Trustee and shall not be considered by the Managing Committee:

9.10.1 the appointment of members of the managing committee;

9.10.2 the appointment of the Charity's auditors and other professional advisors;

9.10.3 the approval of the Charity's budget and business plan;

9.10.4 any matter concerning any options for securing the long term viability of the assets of the Charity;

9.10.5 any capital expenditure in excess of £150,000;

9.10.6 a decision concerning the dissolution of the Charity or the transfer of any assets comprising the Trust Fund.

9.11 In addition to the matters listed at Rules 9.9 above, the Managing Committee may refer any matters that a majority of the members of the Managing Committee consider would be more appropriately decided by the Trustee to the Cabinet.

## 10 **Conduct of meetings**

- 10.1 Meetings of the Charity shall be conducted in accordance with section 15 of the Council's constitution (the "Rules for Conducting Meetings") as approved by the Council from time to time. (NOTE: Minimum quorum under Section 15 of the Council's Constitution - rules for conducting meetings – is 25% of the whole and at least 3.)
- 10.2 Subject to Rule 10.1 above, the Trustee may make rules consistent with these Rules to govern the proceedings of the Managing Committee.
- 10.3 The proceedings of the Managing Committee must be reported promptly to the Trustee.
- 10.4 All members of the Managing Committee may vote on delegated Council decisions taken by the Managing Committee.

## 11 **Benefits to the Trustee**

- 11.1 The Trust Fund must only be applied to promote the Objects and, subject to clause 11.3, no part of the Trust Fund may be paid, transferred or otherwise applied by way of direct or indirect benefit in money or money's worth to the Trustee except by way of:

- 11.1.1 reimbursement of expenses properly incurred by the trustee in the management and administration of the Charity;
- 11.1.2 an indemnity to the Trustee in respect of liabilities properly incurred by it in its capacity as trustee and in accordance with the terms of these Rules (but only to the extent permitted by law);
- 11.1.3 any payment which is in furtherance of the Objects to another charity of which the Trustee is charity trustee or a member and which does not confer any financial benefit on the Trustee; and
- 11.1.4 other payments or benefits permitted by law or with the prior written consent of the Commission;

provided that the Trustee must comply with the provisions of clause 12 in relation to any payment or benefit received pursuant to this clause 11.

- 11.2 In this clause 11, references to the Trustee include references to any person who is connected to the Trustee.
- 11.3 The Council may enter into a written contract with the Trustee to supply goods and / or services to the Charity in return for a benefit in money or money's worth but only if:
- 11.3.1 the goods or services are actually required by the Charity;
- 11.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services supplied; and
- 11.3.3 procedures for managing conflicts of interest set out in the Trustee's policy made under clause 12 below are complied with.

## 12 **Conflicts of interest**

- 12.1 The Trustee shall maintain a policy in relation to the identification and management of Conflicts of Interest and shall comply with such policy and with any guidance issued by the Commission from time to time in relation to Conflicts of Interest (and, in particular, any guidance for local authorities acting as a charity trustee).

## 13 **Records and accounts**

13.1 The Trustee must comply with the requirements of the Charities Act as to the keeping of financial records, the audit or independent examination of the accounts and the preparation and transmission to the Commission of:

13.1.1 annual returns;

13.1.2 annual reports; and

13.1.3 annual statements of account.

13.2 The Trustee must maintain proper records of:

13.2.1 all proceedings at meetings of the Trustee;

13.2.2 all reports of the Managing Committee; and

13.2.3 all professional advice obtained.

## 14 **Amendments and additions**

14.1 All or any of the provisions of these Rules may be amended or added to by supplemental rules approved by a resolution of [at least 75%] of the members of the Managing Committee but no amendment is valid if:

14.1.1 it would change the Objects (except with the prior written consent of the Charity Commission); or

14.1.2 it would change this Rule 14 (except with the prior written consent of the Charity Commission); or

14.1.3 it would cause the Charity to cease to be a charity.

14.2 Rules 4 and 11 may not be amended without the prior written consent of the Commission.

## Schedule 1 **Assets**

Wells Recreation Ground

The Bishop's Barn