

**North East Derbyshire District Council**

**Cabinet**

**18 March 2015**

**Coal Aston Village Hall Trust**

**Report No GBXR/03/15/SS of Councillor G Baxter MBE, Portfolio Holder with  
Responsibility for Building a Better Council**

This report is public

**Purpose of the Report**

- The Council is one of the trustees of the above along with a number of individuals. The property is held under a trust deed from 1948.
- The Council has been approached by some of the trustees of the above. The trustees wish to incorporate the charity into a charitable company and need the Council's consent.

**1 Report Details**

- 1.1 The Council is a trustee of the Coal Aston Village Hall together with some 13 other individual trustees. The trust was set up in 1948 and Dronfield Urban District Council (UDC) was the original local authority trustee. There have been a number of changes of trustee in this time and the Council now stands in place of Dronfield Urban District Council (UDC).
- 1.2 The Council appoints one Councillor to the management Committee and this is currently Cllr Christine Smith who was appointed in 2011.
- 1.3 The charity is a registered charity and its objects are to promote the welfare of the residents of Coal Aston, to foster a spirit of communal loyalty, to further interests in Educational, Health and Physical recreation and for any other purpose as may be deemed to be charitable.
- 1.4 The trustees want to incorporate the charity into a charitable incorporated company and transfer all the assets to the company. This is to limit the personal liability of the individual charity trustees who are currently at personal financial risk. It is their view that the Council was made a trustee as a way of securing the continuity of the charity and its works should all the individual trustees cease to be trustees. If the charity is incorporated it is a legal entity in its own right and continues in existence indefinitely.
- 1.5 If the charity is to take this step, various consents are required from all the trustees including the Council. These include the following consents:-

- Consent to transfer of assets to the charitable company by way of gift
- A 120 day authority to 2 of the trustees to execute documents on behalf of the charity.

These will facilitate the proposed new arrangements and the charitable company taking over responsibility for the assets.

1.6 The trustees are asking the Council to sign the two documents.

## **2 Conclusions and Reasons for Recommendation**

2.1 It is for members to decide if they wish to support the remaining trustees in forming the charitable company and transferring the assets.

2.2 If members are minded to refuse, it would appropriate for the Council to take a more active role in the running of the charity.

## **3 Consultation and Equality Impact**

3.1 It is for members to decide.

## **4 Alternative Options and Reasons for Rejection**

4.1 To refuse consent. This would effectively prevent the charity's assets being transferred to the charitable company. There may well be provision within charity law for the other trustees to address this.

## **5 Implications**

### **5.1 Finance and Risk Implications**

5.1.1 The proposed documents include indemnities for the Council and the other trustees.

### **5.2 Legal Implications including Data Protection**

5.2.1 These are covered in the report. There are no Data Protection issues.

### **5.3 Human Resources Implications**

5.3.1 None

## **6 Recommendations**

6.1 Cabinet approve consent to be given to trustees of Coal Aston Village Hall to incorporate the Village Hall Charity into a charitable incorporated company. This to include transfer of all assets to the company and a 120 day authority to two of the trustees to execute documents on behalf of the charity.

## 7 Decision Information

<b>Is the decision a Key Decision?</b> (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
<b>District Wards Affected</b>	Coal Aston
<b>Links to Corporate Plan priorities or Policy Framework</b>	N/A

## 8 Document Information

Appendix No	Title
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
<b>Historical papers kept on file and the two draft agreements provided for the Council's consideration.</b>	
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