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County Council

Neuadd Cyngor Ceredigion, Penmorfa,
Aberaeron, Ceredigion SA46 0PA
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15.09.2022

Dear Sir / Madam

I write to inform you that a Meeting of the Charity Trustee Committee will be held at the Council Chamber, Neuadd Cyngor Ceredigion, Penmorfa, Aberaeron and remotely via video conferencing on Monday, 26 September 2022 at 11.30 am for the transaction of the following business:

1. **Apologies**
2. **Disclosures of personal/prejudicial interest**
3. **To confirm the Minutes of the Meeting of the Charity Trustee Committee held on 16 December 2021 and to consider any matters arising from those minutes (Pages 3 - 4)**
4. **To receive a report on the Charity Trustee Committee Terms of Reference (Pages 5 - 8)**
5. **To receive a report on the Annual New Quay Memorial Hall update 2020-2022 (Pages 9 - 12)**
6. **To receive a report on the New Quay Library and Reading Room (Pages 13 - 20)**
7. **To receive a report on the Former Tregaron County School - sub group (Pages 21 - 26)**
8. **To receive the Annual Trustee Reports 2021-2022 (Pages 27 - 92)**
9. **Any other matter which the Chairman decides is for the urgent attention of the Committee**

A Translation Services will be provided at this meeting and those present are welcome to speak in Welsh or English at the meeting.

Yours faithfully

A handwritten signature in black ink, appearing to read 'L Edwards'.

Miss Lowri Edwards
Corporate Lead Officer: Democratic Services

To: Chairman and Members of Charity Trustee Committee
The remaining Members of the Council for information only

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**Minutes of the Meeting of CHARITY TRUSTEE COMMITTEE
held remotely via video-conference on Thursday, 16 December 2021**

PRESENT: Councillor Rowland Rees-Evans (Chairman), Councillors Marc Davies, Mark Strong, Wyn Thomas, Ivor Williams and Elaine Evans (Vice-Chair)

Also in attendance: Councillor Elizabeth Evans (Observer and Sub-Group review Member), Councillor Rhodri Evans and Catherine Hughes

Officers in attendance: Louise Harries, Solicitor and Nia Jones, Democratic Services

(2.00pm - 2.15pm)

1 Apologies

Councillors Bryan Davies, Euros Davies and Lyndon Lloyd MBE apologised for their inability to attend the meeting.

2 Disclosures of personal/prejudicial interest

There were no personal and prejudicial interest declared.

3 To confirm the Minutes of the Meeting of the Charity Trustee Committee held on 8 July 2021 and to consider any matters arising from those Minutes

It was **RESOLVED** to confirm as a true record the Minutes of the Meeting held on 8th July 2021.

Matters arising

There were no matters arising.

4 To receive a report on the Consultation regarding the relocation of two war memorial stone tablets at the Old School Tregaron

It was noted that in order for the sale of the Old Tregaron School to progress to completion, it is necessary to relocate the 3 stone tablets relating to former Headmasters of the school and the 2 stone war memorial tablets commemorating former pupils who gave their lives in the two World Wars. It was noted that Ysgol Henry Richard has agreed to relocate the former Headmasters tablets, however the 'War Memorial' tablets are recorded in the UK National Inventory of War Memorials, and as such a public consultation was carried out.

The consultation ran for 4 weeks from 1 November 2021, and received 72 responses, which were considered by Members of the Charity Trustee Committee. It was noted that over half of the respondents wished for the tablets to be relocated to Ysgol Henry Richard; other suggestions included the Tregaron Memorial Hall, Bwlchgwynt Chapel or Tregaron Church, a communal green area, Ceredigion Museum or the National Library for Wales. It was also noted that the Headteacher of Ysgol Henry Richard had suggested that the war memorial tablets could be placed on the wall of the school hall.

Members noted that the recommendation of the Past Pupils Committee coincided with that of the majority which is to move the tablets to Ysgol Henry Richard. It was noted that the school is an appropriate location, as the tablets commemorate past pupils who lost their lives in the war. History is a very important part of pupils' education, and it is important that these people aren't forgotten.

Members emphasised the importance of moving the tablets in a safe manner as they are deserving of respect, and that this should take place at the earliest possible opportunity in order that they can be seen by pupils, and by the families connected to those commemorated on the plaques.

It was noted that Officers had conducted a thorough and fair process, involving the community in this process and that the outcome of the consultation is clear.

Members thanked Louise Harries for all her work from the outset, noting that it is very fitting that this will end with the siting of the plaques.

Following discussion and a vote, the Committee unanimously **RESOLVED** to approve the relocation of the war memorial tablets to Ysgol Henry Richard with delegation to officers to agree the exact location within the school with Ysgol Henry Richard.

5 Any other matter which the Chairman decides is for the urgent attention of the Committee

There were no other matters to consider

**Confirmed at the Meeting of the Charity Trustee Committee held on
xx.xx.xxx**

Chairman: _____

Date: _____

CEREDIGION COUNTY COUNCIL

Report to: Charity Trustee Committee

Date of meeting: 26th September 2022

Title: Terms of Reference of the Charity Trustee Committee

Purpose of the report: To receive recommendations to amend the wording as set out in the Council’s Constitution

For: Decision

The Terms of Reference of the Charity Trustee Committee are set out in Appendix 1 of this report (as approved by Council 22/09/2016) and are summarised in the Constitution as follows:

Committee	Functions
<p>Trustee Charity Committee</p> <p>10 members: 5 voting and 5 non-voting)</p>	<p>To act as trustee in respect of all property assets held by the Council on charitable trusts.</p> <p>To make decisions in relation to charitable assets in the best interests of the charity.</p> <p>To receive reports on charitable issues and to ensure the requirements of the Charity Commission and charity law are adhered to in so far as they relate to the charitable assets held by the Council on trust.</p>

However, the Terms of reference, as revised by Council on 22/09/2016 (Minute 10) referenced the first line as ‘To act as trustee in respect of all assets held by the Council on charitable trusts.’ therefore there is a slight difference to what is currently stated in the Constitution.

- Recommendation(s):**
- a) That Members of the Charity Trustee Committee note the Terms of Reference in Appendix 1 ;
 - b) That Members of the Charity Trustee Committee recommend that Council considers the following amendments to the Terms and References as considered by the Constitution Working Group on 12/09/2022:
 - i. To replace the first sentence which reads **“to act as trustee in respect of all assets held by the Council on charitable trusts”**

with the following: **“To act as trustee in respect of all trusts that the Council is the trustee of”**

- ii. To include the following within the Constitution after the line ‘10 members: 5 voting and 5 non-voting’: **“It is the Chairs of the Overview and Scrutiny Committees who hold the voting rights but in the absence of a Chair the Vice-Chair of that same Overview and Scrutiny Committee can then exercise the voting right”**

Reasons for decision: To clarify the function of the Charity Trustee Committee as set out in the Council’s Constitution

Appendices: Appendix 1 – Terms of Reference of CTC 22/09/2016

Head of Service: Ein Prysor – CLO Legal & Governance Services

Reporting Officer: Louise Harries – Solicitor

Date: 01/09/2022

Appendix 1

Terms of reference of the Charity Trustee Committee

Role:

- To act as trustee in respect of all assets held by the Council on charitable trusts.
- To make decisions in relation to charitable assets in the best interests of the charity.
- To receive reports on charitable issues and to ensure the requirements of the Charity Commission and charity law are adhered to in so far as they relate to the charitable assets held by the Council on trust.

Charitable trustees are required to act in the best interests of the charity when making decisions in respect of it and must exercise reasonable skill and care in doing so. The decisions of the Committee and responsibility for them will be collective. Members of the Committee will benefit from the general indemnity granted by the Council to Members and Officers, provided that they act honestly, within their powers and that of the charity, and in good faith.

Membership:

The 5 Chairmen of the Council's Overview and Scrutiny Committees will be members of the Committee, with voting rights. The 5 Vice Chairmen of the Overview and Scrutiny Committees will be observers however in the absence of the Chairman of a particular Overview and Scrutiny Committee during a Charity Trustee Committee meeting, the Vice-Chairman of that particular Overview and Scrutiny Committee shall have a voting right during that Committee.

The Chairman and Vice-Chairman of the Council's Overview and Scrutiny Coordinating Committee shall be the Chairman and Vice-Chairman of the Charity Trustee Committee.

Meetings:

Meetings of the Charity Trustee Committee be provisionally scheduled to take place immediately following each Overview and Scrutiny Co-ordinating Committee but not held if there is no trustee business to attend to.

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CEREDIGION COUNTY COUNCIL

Report to: Charity Trustee Committee

Date of meeting: 26th September 2022

Title: Annual New Quay Memorial Hall update 2020-2022

Purpose of the report: To receive the annual update

For: Information

1. ANNUAL UPDATE

- 1.1 As Members may be aware the Hall was leased by the Council, as charity trustee, to 'New Quay Memorial Hall' a registered charitable incorporated organisation ("CIO") from the 10th February 2020 for 99 years.
- 1.2 Under clause 26.6 of the lease the CIO is obliged to provide the trustee on the 10th February every year an annual summary setting out the use that the property has been put to during the preceding 12 months. The purpose of this obligation is for the trustee to be able to monitor that the Hall is being used for community based activities and other uses within the objects of the Council trust being *'use as a village hall for the inhabitants of New Quay and the neighbourhood thereof without distinction of political, religious or other opinions including use for meetings, lectures and classes and for other forms of recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants'*.
- 1.3 An update was not provided in February 2021 however officers have since raised this with the CIO and an update has been provided to cover 2020-2022 therefore this update is presented at Appendix 1 for information (received 14/01/2022).

Recommendation(s): To note the update from the tenant covering the period 10th February 2020 – 9th February 2022.

Reasons for decision: To acknowledge the tenant's compliance with clause 26.6 of the lease dated 10th February 2020.

Appendices: Appendix 1 – Update from New Quay Memorial Hall

Head of Service: Ein Prysor – CLO Legal & Governance Services

Reporting Officer: Louise Harries – Solicitor

Date: 31/08/2022

APPENDIX 1 – UPDATE FROM NEW QUAY MEMORIAL HALL 14/01/2022

New Quay Memorial Hall

Annual report for CCC February 2020 – 2021 + February 2021 - 2022

Summary of NQMH use 2020 - 2022

The charity was formed in September 2018 when the activities, assets and liabilities of the previous 'War Memorial Hall' Charity 503653 were transferred, and a new lease granted by the Ceredigion County Council to a new committee Charity number 1179995 to re-organise and provide services to local inhabitants.

Major renovation was required to bring the hall built in 1923 up to modern requirements including **d/g windows, doors, all new toilet facilities including disabled use and access. A new and insulated ground floor and ceilings, new kitchen, wiring, new heating, lighting, roof and solar panels, also complete redecoration both inside and outside.** The new committee applied for and were successful in receiving a grant of £223253.00 in 2019 to cover the cost of most of the hall renovation. Additional fundraising and donations provided a further £27424.00 towards the cost of the building work

We provided a valuable community resource until the Hall was closed for full renovation work in early January 2020. This was followed by the Covid-19 National Lockdown in March 2020.

Meanwhile the builders continued working which effectively meant an extended closure of the Hall and completely halted normal income sources.

The Hall renovations, **as shown above**, were completed by late February 2021, however Wales was still in lockdown, and there was no opportunity for use of the Hall facilities

During March 2021 additional signage. was installed to enable the Hall to be Covid-19 secure and prepared for reopening as soon as Government Guidance permitted.

Further lockdowns and restrictions meant limited use of the Hall due to social distancing, but the Hall was used for Polling on May 6th.2021. The New Quay Library was able to set up a click and collect system at the Hall, and small group events and meetings were restarted.

A new access ramp and safety railings were completed in October at the rear of the Hall, plus disabled parking facilities.

The New Quay Library is now fully operational and permanently located downstairs at the Hall. The old library in Uplands Square is now closed.

October, November, December 2021 bookings continued as below but with restricted numbers due to social distancing requirements

Weekly events at the Memorial Hall 2022

Mondays,

Pathfinder Programme - Family support services - 10 - 4pm. downstairs **will resume soon**

New Quay Town Council last Monday of month - downstairs. (Public may attend) will resume soon.

British Legion 6.30-7.30pm room 2

Cor Cei Main Hall will resume soon

Tuesdays,

Pathfinder programme - Family support services **will resume soon** and health visitor.- 10 - 3pm. downstairs

Cross Inn WI crafts - 7 - 9pm weekly, main hall.

Wednesdays

Clonc - Welsh conversation - every Wednesday 10 - 12 main hall

Arts4Wellbeing – crafts , 2 – 4 main hall

WI Seaside Sisters - meets 3rd. Thursday monthly 7 - 9pm **.upstairs**

Thursdays,

Yoga, 9:45 am - main hall.

New Quay Camera Club meets monthly on Thursday evenings - will resume soon.

Fridays

New Quay Community Market - Fridays 10.00 -12.30 pm - will be reopening as soon as restrictions are lifted.

Saturdays

Junior football training 5:30pm.**will resume soon**

Saturdays and Sundays - available for birthday parties, special events, meetings, etc. Numbers currently limited to 30 (as of Jan.2022).

Snooker Club available daily downstairs 9am - 9pm

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CEREDIGION COUNTY COUNCIL

Report to: Charity Trustee Committee
Date of meeting: 26th September 2022
Title: New Quay Library and Reading Room
Purpose of the report: To review the trust and decide on next steps
For: Decision

1. BACKGROUND

- 1.1 In 1952 an area of land at Uplands Square, New Quay was conveyed and placed into trust with the trustees of the New Quay Library and Reading Room to erect a library and reading room on the site and to use it for that purpose for the benefit of the inhabitants of New Quay.
- 1.2 In 1956 the trustees of the New Quay Library and Reading Room conveyed the property to Cardiganshire County Council.
- 1.3 In 1958 Cardiganshire County Council executed a Deed of Trust placing the property and the proceeds of any sale thereof and any rents and profits into a trust ("the trust") on the same terms and for the same purposes as was set out in the original 1952 Conveyance and Trust Deed.
- 1.4 In 1959 Cardiganshire County Council, as trustee, sold an area of land to the south-east of the site (with the consent of the Ministry of Education) for £70. This now forms part of the Costcutters site.
- 1.5 Library services have been run from the site for the benefit of the inhabitants of New Quay for many years but in 2014 New Quay Town Council entered into a service level agreement with the Council in order for them to manage the library provision utilising volunteers. This agreement was renewed in 2016 however the arrangement ended on 1st November 2021 and the property was vacated.

2. CURRENT POSITION

- 2.1 The trust currently holds the area of land and buildings shown edged red on the attached Appendix 1 and also cash held on account of £1,015.84p being the proceeds of sale from the 1959 land sale plus interest. As indicated in Section 1 above, these trust assets are held by the Council as trustee for the charitable object of using the site for a library and reading room for the benefit of the inhabitants of the village of New Quay.
- 2.2 No rates are payable on the vacant building as the rateable value is below £2,600. Electricity is being billed at the property which the Council corporately is paying as part of its group account however Maintenance intend to visit the property shortly for an inspection and will hopefully then instruct for the electricity to be disconnected to save costs. The electricity cost between 1st November

2021 until the property is disconnected will then be recovered from the trust account as it is a trust liability not a corporate liability.

2.3 New Quay Community Library (“NQCL”), run by volunteers, is now located in New Quay Memorial Hall. NQCL have confirmed that they have no plans to move back to the Trust site as there is no disabled access, no running water, no toilet facilities and there are issues with the condition of the floor. They have also confirmed that New Quay Town Council contribute £360 towards their electricity costs at the Hall and that Ceredigion County Council Library Services provides internet services, IT equipment and all books.

2.4 As the trust site is now vacant and officers have received confirmation from the Library Service and NQCL that there are no plans to use the site as a library or reading room in the future, there is a need to consider the position of the trust and its future as the trust site is not currently being used for the purposes of the trust nor being of benefit to the beneficiaries of the trust. In such circumstances the trustee should look at whether the doctrine of cy-près is applicable so that the trust can be diverted to another charitable purpose.

3. CY-PRÈS

3.1 The doctrine of cy-près is a doctrine which enables charitable gifts, which would otherwise fail, to be diverted to another related charitable purpose. Section 62 of the Charities Act 2011 (“the Act”) sets out the circumstances where a charitable gift can be altered by the Charity Commission so that it can be applied cy-près.

3.2 The circumstances set out under s.62(1) of the Act are:

- (a) *where the original purposes, in whole or in part—*
 - (i) *have been as far as may be fulfilled, or*
 - (ii) *cannot be carried out, or not according to the directions given and to the spirit of the gift.*
- (b) *where the original purposes provide a use for part only of the property available by virtue of the gift.*
- (c) *where—*
 - (i) *the property available by virtue of the gift, and*
 - (ii) *other property applicable for similar purposes,*

can be more effectively used in conjunction, and to that end can suitably, regard being had to the appropriate considerations, be made applicable to common purposes,

- (d) *where the original purposes were laid down by reference to—*
- (i) *an area which then was but has since ceased to be a unit for some other purpose, or*
 - (ii) *a class of persons or an area which has for any reason since ceased to be suitable, regard being had to the appropriate considerations, or to be practical in administering the gift, or*
- (e) *where the original purposes, in whole or in part, have, since they were laid down—*
- (i) *been adequately provided for by other means,*
 - (ii) *ceased, as being useless or harmful to the community or for other reasons, to be in law charitable, or*
 - (iii) *ceased in any other way to provide a suitable and effective method of*
using the property available by virtue of the gift, regard being had to the appropriate considerations.

3.3 It is proposed that s.62(1)(e)(i) could be applicable here as the provision of a library has been adequately provided for within the Memorial Hall, by NQCL with the support of New Quay Town Council and the County Council in its corporate capacity through its Library Services.

3.4 Where a cy-près occasion has been deemed to arise it is the duty of the trustee under s.61 of the Act to secure the effective use of the trust's property for charity by taking steps to enable it to be applied cy-près.

4. NEW PURPOSES

4.1 If the trustee agrees that a cy-près occasion has arisen, then it can apply to the Charity Commission to make a new scheme to provide new purposes of a similar nature for the trust. When deciding on new purposes, the Commission must consider:

- The spirit of the original gift;
- The desirability of providing new purposes that are close to the original; and
- The necessity for the new purposes to be suitable and effective in light of current social and economic circumstances.

4.2 The trustee must consider what similar purpose(s) the charity should have and what use the charity's assets (the land and money held) might then be put towards in light of the three considerations above. By way of example, the trustee had a similar cy-près occasion arise in the former Tregaron Secondary School. Following lengthy consultation with the community, the trust land was sold under a cy-près scheme and new charitable purposes set out for the sale proceeds so that it can be put towards the advancement of education for pre-school and school-age children in Tregaron.

4.3 Charitable purposes are listed under s.3 of the Act and Legal Services would advise that the provision of a site for a library would fall under s.3(b) being the advancement of education. As such Legal Services would suggest that the trust consider proposing to the Commission a much wider new purpose along the lines of 'the advancement of education of the inhabitants of New Quay'.

5. CONSULTATION

5.1 Once the trust has initially considered the above, the Commission expects the trustee to carry out appropriate consultation to help inform its final decision making regarding whether any of the criteria for making the scheme have been met and, if so, what new purposes the charity should have.

5.2 It is for the trustee to decide what form the consultation should take, however where the proposed changes are significant, the Commission expects consultation to be vigorous, including some (or all) of the following:

- open days and exhibitions
- publication of proposals on appropriate website and in local media (which should clearly explain what is involved);
- public meetings (open and accessible to the general public);
- meetings with staff and volunteers and any beneficiaries who would be directly affected by the proposals – such as the residents of almshouses, church members or users of the village hall;
- meetings (or focus groups) with user and other interest groups;
- meetings (or focus groups) with people who have particular needs, such as people with disabilities and people from minority ethnic groups;
- questionnaire based surveys (postal or face to face);
- local parish referenda;
- formal written consultation exercises.

5.3 Legal Services would suggest that the trust consult the inhabitants of New Quay on two points:

a) the proposed new purpose of the trust ie: whether the inhabitants of New Quay agree with the proposed new purpose or, if not, what new purpose do they instead propose; and

b) what use could the trust property be put to under the above purpose(s) in light of the three points which must be considered by the Commission as per paragraph 4.1 of this report.

5.4 As the online consultation with the relocation of the Tregaron War Memorials (undertaken earlier this year) was very successful and had a good engagement response, Legal Services would suggest that the same method be used here. The online consultation could be hosted on the Council website and can be

advertised through Press Office posting on Council social media and any other relevant local social media pages. Targeted consultation can also be undertaken with the Local Member and organisations such as New Quay Town Council, Memorial Hall, NQCL and any other organisations/groups considered appropriate by Committee.

- 5.5 For those members of the public who do not utilise online resources a hardcopy consultation poster could be produced to advertise the consultation and officers could make enquiries with NQCL as to whether they would be prepared to flag the consultation to their users and, if the users want to respond in writing rather than online, then a paper copy can be given to them to be returned to Council officers on behalf of the trust by the date for closure of the consultation. This will increase engagement and ensure that library users are being fully involved in the process.
- 5.6 There is no set length that the consultation must run for but it is advisable to consult for at least 6 weeks in order to ensure that everyone has adequate time for response.
- 5.7 When applying for a scheme, the trustee will have to provide details of consultation and a summary of responses received together with information as to how this has helped inform the trustee's decision making.
- 5.8 If the Commission are satisfied that the criteria for making a scheme have been met they will consider drafting a scheme. The Commission may require public notice be made of its intention to make a scheme and they will inform the trustee of this if they consider it appropriate.
- 5.9 As per the Commission's guidance on public benefit (PB2 Public Benefit: running a charity) the trustee must be conscious when making decisions that impact on the way in which people benefit from the charity's purpose or who can benefit from it, that they are making decisions:
- that ensure the charity's purpose provides benefit;
 - that manage risks of detriment or harm to the charity's beneficiaries or to the public in general from carrying out the charity's purpose;
 - about who benefits in ways that are consistent with the charity's purpose; and
 - that make sure any personal benefits are no more than incidental.

Legal Services believes that the above are being complied with in relation to the recommendations proposed in this report.

- Recommendation(s):**
- 1. To resolve that a cy-pres occasion has arisen under s.62(1)(e)(i) of the Charities Act 2011;**
 - 2. To propose, subject to consultation, that the new purpose of the trust to be proposed to the Charity**

Commission be ‘the advancement of education of the inhabitants of New Quay’;

- 3. To resolve that officers, on behalf of the trust, undertake a consultation exercise as set out in paragraphs 5.4-5.6 of this report together with any additions as agreed in Committee. The results of the consultation shall to be brought back for consideration by Committee once complete.**

Reasons for decision: To comply with the duties on the trustee under the Charities Act 2011 and further the purposes of the trust.

Appendices: Appendix 1 – Trust Land plan

Head of Service: Ein Prysor – CLO Legal & Governance Services

Reporting Officer: Louise Harries – Solicitor

Date: 8th September 2022

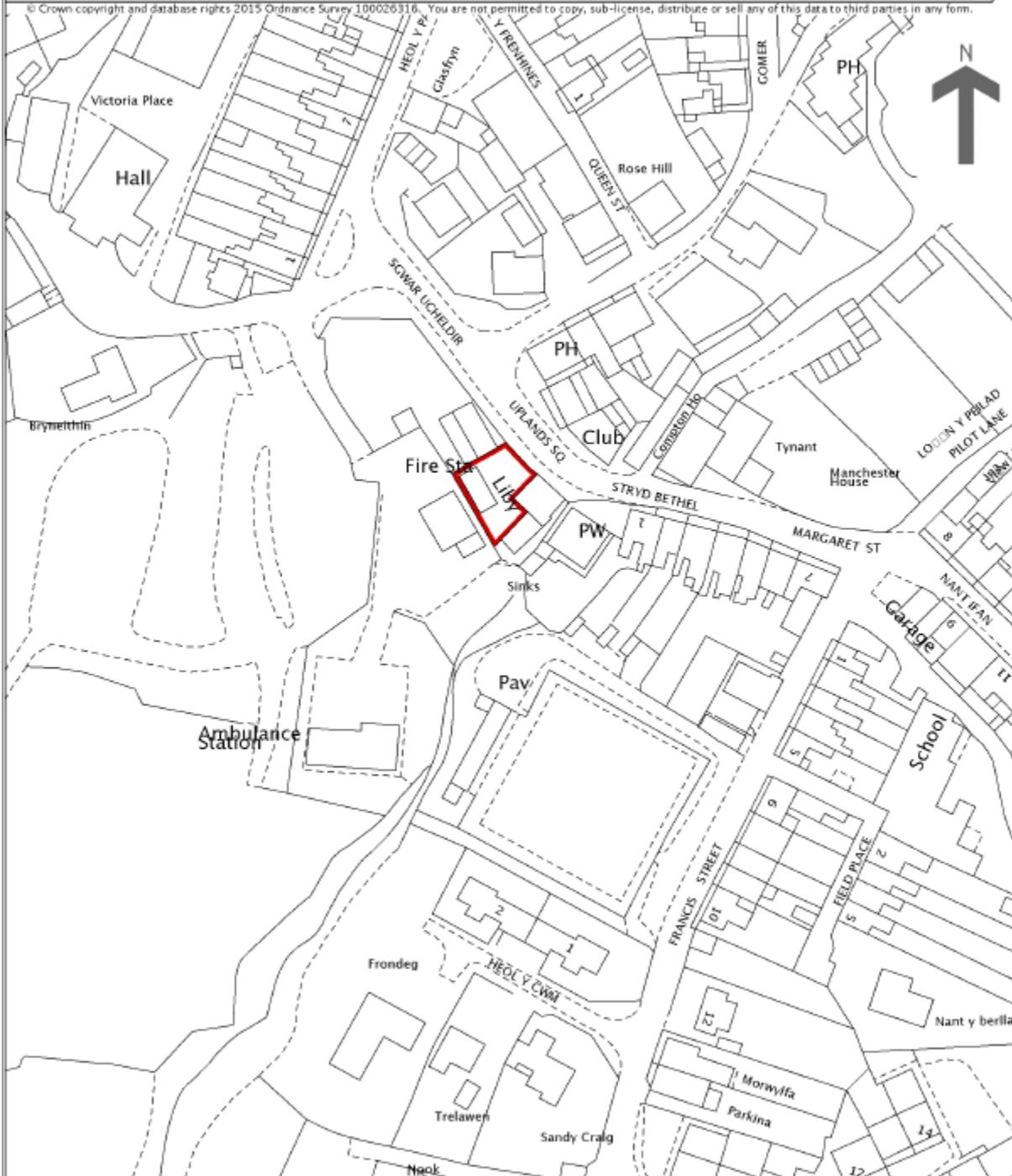
Appendix 1 – Trust Land

Land Registry
Official copy of
title plan

Title number CYM601820
Ordnance Survey map reference SN3859NE
Scale 1:1250 enlarged from 1:2500
Administrative area Ceredigion / Ceredigion



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CEREDIGION COUNTY COUNCIL

Report to: Charity Trustee Committee

Date of meeting: 26th September 2022

Title: Former Tregaron County School – sub-group

Purpose of the report: To decide on membership of the sub-group and next steps

For: Decision

1. BACKGROUND

1.1 Members may be aware that following many years of public consultation, discussion with the Charity Commission and granting of a new charitable Scheme the former Tregaron County School was sold in February 2022 once the War Memorial tablets had been re-located to Ysgol Henry Richard.

1.2 The Charity Trustee Committee on 08/07/2021 resolved to:

- a) *accept the offer to purchase the former Tregaron School;*
- b) *to resolve that Officers, on the trust's behalf, agree and complete all necessary documentation and ancillary matters in order to effect the sale of the property;*
- c) *to create a sub-group with delegation, post-sale of the property, to consider recommendations in relation to how any capital and income held by the charity should be utilised to fulfil the charity's objects. Any recommendations of the sub-group shall be reported to a CTC meeting for final consideration and decision. Members of the sub-group will be nominated at a later date.*

1.3 We are now able to move forward with resolution c) above.

2. CURRENT FINANCIAL POSITION

2.1 Financial Services have provided a summary of the current trust account and this summary is attached at Appendix 1.

2.2 Officers submitted an appeal in January 2020 to the Valuation Office Agency (VOA) in respect of the NNDR charged on the property as officers argue that the rating should be reduced to zero as the property was vacant, in poor condition and then occupied only by the charity not by the Council as Local Education Authority (LEA). If the appeal is partly or wholly successful, it should result in a readjustment to the rating on the property back to 01/04/2017 and generate a rebate however we are still awaiting the outcome of this appeal and correspondence is ongoing between Council officers and the VOA on the matter. Depending on the outcome of that appeal, the total amount held in the trust account, as referenced in Appendix 1, may increase.

3. SUB-GROUP

- 3.1 The next step for the trustee is to consider who will be appointed/invited to the sub-group referred to in the resolution from 08/07/2022 so that discussion can commence on how the money held by the trustee could be utilised towards the objects of the charity. Any recommendations from the sub-group would then be brought before CTC for consideration and decision.
- 3.2 Appendix 2 shows the Scheme granted by the Charity Commission in 2019 and sections 3 and 4 of the Scheme set out that the capital and income from the net proceeds of any sales (therefore including both the recent former school sale and the former schoolhouse sale from the 1970s) be used towards the objects of the charity which are the advancement of education for pre-school and school-age children in Tregaron.
- 3.3 It is for the Committee to decide who will be invited to sit on the sub-group but it is suggested that the Committee consider including the Headteacher of Ysgol Henry Richard, a representative from Cylch Meithrin Tregaron, the local Member, Legal Services and an officer from the LEA in addition to whichever Committee Members are nominated.
- 3.4 Both the sub-group, in making any recommendations, and the Committee, in making any decisions, will need to be mindful that any decisions will need to be made solely in the best interests of the trust and that the money cannot be utilised to further any policy or wish of the LEA or to provide anything which is already a requirement on the Council as LEA to provide.
- 3.5 The Committee may also wish to consider undertaking an online consultation exercise (similar to that undertaken in relation to the War Memorial Tablet relocation) to obtain opinions from the public as to what they would like to see the money put towards in order to advance education for pre-school and school-age children in Tregaron. Legal Services would recommend undertaking such public consultation as it would assist to inform and focus discussions in the sub-group and would also engage the public in the process and they are, after all, the beneficiaries of the trust.

- Recommendation(s):**
- 1. To appoint Members of the Charity Trustee Committee to the sub-group referred to in section 3 of this report;**
 - 2. To invite the Headteacher of Ysgol Henry Richard, a representative from Cylch Meithrin Tregaron, the local Member, an officer from Legal Services and an officer from the LEA to join the sub-group together with any other persons proposed and agreed during the Committee;**

3. For officers, on the trustee's behalf, to undertake an online public consultation as referred to in paragraph 3.5 of this report.

Reasons for decision: To further the objects of the charitable trust.

Appendices: Appendix 1 – Financial Summary of trust account up to and including 22/08/2022.
Appendix 2 – Charity Commission Scheme 07/02/2019

Head of Service: Elin Prysor – CLO Legal & Governance Services

Reporting Officer: Louise Harries – Solicitor

Date: 02/09/2022

APPENDIX 1 – FINANCIAL SUMMARY OF TRUST ACCOUNT UP TO AND INCLUDING 22/08/2022

On 1 April 2018, the cash account had a deficit of £6,381.30. Since then, the following income has been received:

Sale of Assets	£160,000.00
Investment Income	£7,247.13
Compound Levy	£490.00

Similarly, the following expenditure has been incurred:

NNDR	£77,210.43
Valuation Fees	£1,806.90
Notices	£1,743.50
Planning Fees	£250.00
Minor Works	£1,700.00

The current position as at 22/08/2022 is:

Cash at bank	£78,645
National Savings	£22,000
<u>Total:</u>	<u>£100,645</u>

THE CHARITY COMMISSION FOR ENGLAND AND WALES

Under the power given in the Charities Act 2011

Orders that from today, the

7 February 2019

this

SCHEME

alter or affect the existing trusts of the charity

known as

THE OLD COUNTY SCHOOL, TREGARON

at

Tregaron, Ceredigion

Rosie Stokes

**A member of staff of the Charity Commission authorised to act on behalf of the
Charity Commission**

1. Definitions

In this scheme:

“the charity” means the charity identified at the beginning of this scheme

“the Commission” means the Charity Commission for England and Wales.

“the existing trusts” means the Board of Education Scheme dated 30 January 1935 as amended by a further schemes dated 4 March 1949 and 16 November 1972.

“the trustee” means Ceredigion County Council.

2. Administration

The charity is to be administered in accordance with its existing trusts as altered or affected by this scheme.

3. Sale of land

- a. Subject to the requirements of part 7 of the Charities Act 2011, the trustee may sell all or any part of the charity’s property.
- b. The capital and income from the net proceeds of any such sale shall be used towards the objects of the charity.

4. Objects

The objects of the charity are the advancement of education for pre-school and school-age children in Tregaron.

5. Questions relating to the Scheme

The Commission may decide any question put to it concerning:

- a. the interpretation of this scheme; or
- b. the propriety or validity of anything done or intended to be done under it.

CEREDIGION COUNTY COUNCIL

Report to: Charity Trustee Committee
Date of meeting: 26th September 2022
Title: Annual Trustee Reports 2021-2022
Purpose of the report: To consider the draft reports
For: Decision

1. ANNUAL TRUSTEE REPORTS

- 1.1 Under s.162 of the Charities Act 2011 charity trustees of charities registered with the Charity Commission are required to prepare an annual report in relation to their charity in each financial year.
- 1.2 Historically the Council has not undertaken this task however, to be compliant with the legislation, Legal Services recommend that this should now be done each year moving forward and therefore draft reports for the financial year 2021-2022 have been prepared for the 5 registered charities (see attached Appendices 1-5) which the Council is sole trustee of being:
- War Memorial Hall, New Quay;
 - New Quay Library and Reading Room;
 - The COE Memorial Educational Foundation;
 - Cardiganshire Intermediate and Technical Education Fund; and
 - Charity of Richard James Thomas.
- 1.3 In accordance with Charity Commission guidance on their website, where a charity's income is under £500,000 a simple report can be compiled and it only has to be submitted to the Commission if the charity's income is more than £25,000 however the charity would have to send the Commission a copy should they ever ask for it.
- 1.4 In the case of the 5 charities mentioned above, none have income exceeding £25,000 for the financial year 2021-2022 therefore the reports do not require submission to the Commission.
- 1.5 S.17(5) of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008 require charity trustees to have regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance would be relevant and make a statement to this effect in the annual report. The Commission's guidance on the annual report states that if all the trustees have not read the guidance then a statement should be made that discloses this fact therefore you will note a statement to this effect inserted into the draft annual reports in the '*Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)*' section.

1.6 As per the statement in the draft annual reports, the Commission public benefit guidance PB2 and PB3 are attached as Appendix 6 for all Members of the Committee to read and, once all Members have read the same, the trustee will be able to state in next year's annual reports that the guidance has been read.

Recommendation(s): **To:**

1. approve moving forward that officers, on the trustee's behalf, produce yearly draft trustee annual reports to the Charity Trustee Committee for consideration and approval in relation to any registered charities which the Council is sole trustee of;
2. approve the 5 draft annual trustee reports set out in Appendices 1-5 of this report and that the Chair of the Charity Trustee Committee shall sign and date clean copies of the same on behalf of the charity trustee;
3. resolve that all Members of the Charity Trustee Committee will read the two Charity Commission guidance documents (PB2 and PB3) set out at Appendix 6 of this report and confirm at the next Committee meeting that they have read the guidance.

Reasons for decision: **To ensure compliance with the Charities Act 2011 requirements.**

Appendices:

- Appendix 1 – Trustee Annual Report: War Memorial Hall 2021-2022**
- Appendix 2 - Trustee Annual Report: New Quay Library and Reading Room 2021-2022**
- Appendix 3 - Trustee Annual Report: The COE Memorial Educational Foundation 2021-2022**
- Appendix 4 - Trustee Annual Report: Cardiganshire Intermediate and Technical Education Fund 2021-2022**
- Appendix 5 - Trustee Annual Report: Charity of Richard James Thomas 2021-2022**
- Appendix 6 – Charity Commission Guidance PB2 and PB3**

Head of Service: **Ein Prysor – CLO Legal & Governance Services**

Reporting Officer: **Louise Harries – Solicitor**

Date: **31/08/2022**



Trustees' Annual Report for the period

Period start date		Period end date	
From	01 04 2021	To	31 03 2022

Section A Reference and administration details

Charity name

Other names charity is known by

Registered charity number (if any)

Charity's principal address

Postcode

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Ceredigion County Council	N/A	N/A	N/A
2				
3				
4				
5				
6				
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Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year
N/A	

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
Legal (Internal)	Louise Harries - Legal Services	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA
Finance (Internal)	Duncan Hall/Chris Macey – Finance	Canolfan Rheidol, Llanbadarn Fawr, Aberystwyth, Ceredigion
Estates (Internal)	Andrew Harries – Estates Section	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA

Name of chief executive or names of senior staff members (Optional information)

N/A

Section B Structure, governance and management

Description of the charity’s trusts

Type of governing document (eg. trust deed, constitution)	Charity Commission Scheme 02/07/1975 as affected by a Charity Commission Scheme 09/12/1998
How the charity is constituted (eg. trust, association, company)	Trust
Trustee selection methods (eg. appointed by, elected by)	N/A as only one trustee but the Council as trustee appoints elected members to its Charity Trustee Committee which take decisions on behalf of the trustee.

Additional governance issues (Optional information)

<p>You may choose to include additional information, where relevant, about:</p> <ul style="list-style-type: none"> • policies and procedures adopted for the induction and training of trustees; • the charity’s organisational structure and any wider network with which the charity works; • relationship with any related parties; • trustees’ consideration of major risks and the system and procedures to manage them. 	<p>As described above, the trustee has a Charity Trustee Committee which is set up in the Council’s Constitution and which takes decisions for the trustee.</p> <p>All members of the Committee are provided with trustee training when being appointed to the Committee.</p> <p>Any decisions taken by the Committee are actioned by officers of the Council.</p>
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Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

The object of the charity is the provision and maintenance of a village hall and recreation grounds for the use of the inhabitants of New Quay and the neighbourhood thereof without distinction of political, religious or other opinions, including use for meetings, lectures and classes, and for other forms of recreation and leisure-time occupation, with the object of improving the conditions of life for the said inhabitants.

To hold the land and buildings on trust for the purposes of a village hall and recreation grounds as above. The land and buildings held under this trust are the New Quay Memorial Hall and New Quay bowling green.

In relation to the land known as New Quay bowling green held under this trust, the land is leased out to the trustees of the New Quay Bowling Club on a 99 year lease dated 18/08/2003 which commenced on 01/04/2000. The lease was consented to by a Charity Commission Scheme dated 09/12/1998. The permitted use under the lease is use for the formal activities of a bowls club namely as a pavilion and bowling greens. This permitted use furthers the objects of the charity and are for the public benefit as use for bowls is a leisure/recreation occupation and would improve the conditions of life for those inhabitants that utilised the facility.

In relation to the land known as New Quay War Memorial Hall, the Hall is leased out to 'New Quay Memorial Hall' (charity number 1179995), a Charitable Incorporated Organisation ("the CIO"), on a 99 year lease dated, and commencing from, 10/02/2020. The permitted use under the lease is use for community based activities and other uses within the objects of the War Memorial Hall (Charity no. 503653) being use as a village hall for the use of the inhabitants of New Quay and the neighbourhood thereof without distinction of political, religious or other opinions, including use for meetings, lectures and classes, and for other forms of recreation and leisure-time occupation, with the object of improving the conditions of life for the said inhabitants.

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

The above, fits well within the objects of the charity and therefore through the CIO leasing the property so that it can remain open the inhabitants of New Quay and the surrounding area can use the property which improves the conditions of life in New Quay.

As per the terms of the lease, the CIO must provide the trustee with an annual summary setting out the use that the property has been put to during the past 12 months and the current update is as follows:

*"Major renovation was required to bring the hall built in 1923 up to modern requirements including **d/g windows, doors, all new toilet facilities including disabled use and access. A new and insulated ground floor and ceilings, new kitchen, wiring, new heating, lighting, roof and solar panels, also complete redecoration both inside and outside.** The new committee applied for and were successful in receiving a grant of £223253.00 in 2019 to cover the cost of most of the hall renovation. Additional fundraising and donations provided a further £27424.00 towards the cost of the building work*

We provided a valuable community resource until the Hall was closed for full renovation work in early January 2020. This was followed by the Covid-19 National Lockdown in March 2020.

Meanwhile the builders continued working which effectively meant an extended closure of the Hall and completely halted normal income sources.

*The Hall renovations, **as shown above**, were completed by late February 2021, however Wales was still in lockdown, and there was no opportunity for use of the Hall facilities*

During March 2021 additional signage was installed to enable the Hall to be Covid-19 secure and prepared for reopening as soon as Government Guidance permitted.

Further lockdowns and restrictions meant limited use of the Hall due to social distancing, but the Hall was used for Polling on May 6th 2021. The New Quay Library was able to set up a click and collect system at the Hall, and small group events and meetings were restarted.

A new access ramp and safety railings were completed in October at the rear of the Hall, plus disabled parking facilities.

The New Quay Library is now fully operational and permanently located downstairs at the Hall. The old library in Uplands Square is now closed.

October, November, December 2021 bookings continued as below but with restricted numbers due to social distancing requirements

Weekly events at the Memorial Hall 2022

Mondays,

Pathfinder Programme - Family support services - 10 - 4pm. downstairs **will resume soon**

New Quay Town Council last Monday of month - downstairs. (Public may attend) will resume soon.

British Legion 6.30-7.30pm room 2
Cor Cei Main Hall will resume soon

Tuesdays,

Pathfinder programme - Family support services **will resume soon** and health visitor - 10 - 3pm. downstairs

Cross Inn WI crafts - 7 - 9pm weekly, main hall.

Wednesdays

Clonc - Welsh conversation - every Wednesday 10 - 12 main hall

Arts4Wellbeing – crafts , 2 – 4 main hall

WI Seaside Sisters - meets 3rd. Thursday monthly 7 - 9pm **upstairs**

Thursdays,

Yoga, 9:45 am - main hall.

New Quay Camera Club meets monthly on Thursday evenings - will resume soon.

Fridays

New Quay Community Market - Fridays 10.00 - 12.30 pm - will be reopening as soon as restrictions are lifted.

Saturdays

Junior football training 5:30pm **will resume soon**

Saturdays and Sundays - available for birthday parties, special events, meetings, etc. Numbers currently limited to 30 (as of Jan.2022).

Snooker Club available daily downstairs 9am - 9pm

Whilst the charity when making decisions do act for the benefit of the charity and the public it has not specifically reviewed the Charity Commission's guidance entitled 'Public benefit: reporting (PB3)' at its Charity Trustee Committee meetings and cannot confirm that all members of the Charity Trustee Committee have read the guidance especially as some members will be new to the Committee therefore the charity intends to circulate the guidance (both PB3 and PB2) to the

members of its Committee at the next meeting and will reference the same in future decision making.

Additional details of objectives and activities (Optional information)

The trustee notes and praises the contribution made by its tenants of the Bowling Club and New Quay Memorial Hall in continuing to operate facilities for the benefit of the inhabitants of New Quay as per the objectives of the charity.

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.

DRAFT

Section D

Achievements and performance

Summary of the main achievements of the charity during the year

As the bowling green and Memorial Hall are leased out then the charity has little input into the sites on a day-to-day basis however the leases remain and the permitted uses (as can be seen from Section C above) provide facilities to the beneficiaries of the charity as per its objects.

DRAFT

Section E

Financial review

Brief statement of the charity's policy on reserves

N/A – no reserves policy.

Details of any funds materially in deficit

N/A

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

None.

Section F

Other optional information

None.

Section G

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)

Full name(s)

Position (eg Secretary, Chair, etc)

Date



Trustees' Annual Report for the period

Period start date		Period end date	
From	01 04 2021	To	31 03 2022

Section A Reference and administration details

Charity name

Other names charity is known by

Registered charity number (if any)

Charity's principal address

Postcode

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Ceredigion County Council	N/A	N/A	N/A
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Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year
N/A	

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
Legal (Internal)	Louise Harries - Legal Services	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA
Finance (Internal)	Duncan Hall/Chris Macey – Finance	Canolfan Rheidol, Llanbadarn Fawr, Aberystwyth, Ceredigion
Estates (Internal)	Andrew Harries – Estates Section	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA

Name of chief executive or names of senior staff members (Optional information)

N/A

Section B Structure, governance and management

Description of the charity’s trusts

Type of governing document (eg. trust deed, constitution)	Trust deed 1 st Feb 1952 and Declaration of Trust 17/04/1058
How the charity is constituted (eg. trust, association, company)	Trust
Trustee selection methods (eg. appointed by, elected by)	N/A as only one trustee but the Council as trustee appoints elected members to its Charity Trustee Committee which take decisions on behalf of the trustee.

Additional governance issues (Optional information)

<p>You may choose to include additional information, where relevant, about:</p> <ul style="list-style-type: none"> • policies and procedures adopted for the induction and training of trustees; • the charity’s organisational structure and any wider network with which the charity works; • relationship with any related parties; • trustees’ consideration of major risks and the system and procedures to manage them. 	<p>As described above, the trustee has a Charity Trustee Committee which is set up in the Council’s Constitution and which takes decisions for the trustee.</p> <p>All members of the Committee are provided with trustee training when being appointed to the Committee.</p> <p>Any decisions taken by the Committee are actioned by officers of the Council.</p>
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Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

New Quay Library and Reading Room is a property held by the trustee on trust ("the Property").

The object of the charity is to erect a library and reading room (which was achieved and is now the Property) and to permit the Property to be used as a site for a library and reading room for the benefit of the inhabitants of New Quay.

For many years New Quay Town Council has been operating under a service level agreement to provide library services at the Property. The latest agreement was entered into in 2016.

However the library provision relocated to New Quay Memorial Hall as of 01/11/2021 therefore the Property has been vacant since this date.

Whilst the charity when making decisions do act for the benefit of the charity and the public it has not specifically reviewed the Charity Commission's guidance entitled 'Public benefit: reporting (PB3)' at its Charity Trustee Committee meetings and cannot confirm that all members of the Charity Trustee Committee have read the guidance especially as some members will be new to the Committee therefore the charity intends to circulate the guidance (both PB3 and PB2) to the members of its Committee at the next meeting and will reference the same in future decision making.

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

Additional details of objectives and activities (Optional information)

None.

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.

Section D

Achievements and performance

Summary of the main achievements of the charity during the year

Library services were provided from the Property up until vacation on the 01/11/2021.

DRAFT

Section E

Financial review

Brief statement of the charity's policy on reserves

N/A – no reserves policy.

Details of any funds materially in deficit

N/A

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

None.

Section F

Other optional information

None.

Section G

Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)

Full name(s)

Position (eg Secretary, Chair, etc)

Date



Trustees' Annual Report for the period

		Period start date			Period end date		
From	01	04	2021	To	31	03	2022

Section A Reference and administration details

Charity name

Other names charity is known by

Registered charity number (if any)

Charity's principal address

Postcode

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Ceredigion County Council	N/A	N/A	N/A
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Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year
N/A	

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
Legal (Internal)	Louise Harries - Legal Services	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA
Finance (Internal)	Duncan Hall/Chris Macey – Finance	Canolfan Rheidol, Llanbadarn Fawr, Aberystwyth, Ceredigion
Estates (Internal)	Andrew Harries – Estates Section	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA

Name of chief executive or names of senior staff members (Optional information)

N/A

Section B Structure, governance and management

Description of the charity’s trusts

Type of governing document (eg. trust deed, constitution)	Charity Commission Scheme 25/06/1973
How the charity is constituted (eg. trust, association, company)	Trust
Trustee selection methods (eg. appointed by, elected by)	N/A as only one trustee but the Council as trustee appoints elected members to its Charity Trustee Committee which take decisions on behalf of the trustee.

Additional governance issues (Optional information)

<p>You may choose to include additional information, where relevant, about:</p> <ul style="list-style-type: none"> • policies and procedures adopted for the induction and training of trustees; • the charity’s organisational structure and any wider network with which the charity works; • relationship with any related parties; • trustees’ consideration of major risks and the system and procedures to manage them. 	<p>As described above, the trustee has a Charity Trustee Committee which is set up in the Council’s Constitution and which takes decisions for the trustee.</p> <p>All members of the Committee are provided with trustee training when being appointed to the Committee.</p> <p>Any decisions taken by the Committee are actioned by officers of the Council.</p>
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Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

The object of the charity is: after payment of any expenses of administration, the net yearly income shall be applied for the benefit of beneficiaries in one or more of the following ways: (a) in the award to beneficiaries of scholarships, maintenance allowances, or grants tenable to any school, university, university college, college of education or other place of learning approved by the Council; (b) in providing financial assistance, outfits, clothing, instruments, tools or books to help beneficiaries on leaving school, a university or other educational establishment, to prepare for, or to enter a profession, trade or calling; (c) in awarding bursaries or maintenance allowances to enable beneficiaries to travel, whether in this country or abroad, to pursue their education; (d) in providing financial assistance to enable beneficiaries to study music or other arts; or (e) in otherwise promoting the education (including social and physical training) of beneficiaries.

Blaendyffryn Farm, Llandysul is held by the trustee under this trust which produces an income for the trust from its tenant.

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

As referred to above, Blaendyffryn Farm is let out under an agricultural tenancy dated 24/11/2015 (tenancy commenced on 02/01/2007) which provides income to the charity. In 2020-2021 no awards of financial assistance were provided by the charity as the trustee is awaiting the outcome of a farm review in respect of the farm condition etc in order to consider whether it needs to incur any expenditure in meeting its liabilities to the tenant under the tenancy/liabilities under legislation. Once that is known from the report then the trustee will be able to consider what assets it has remaining in the trust account in order to begin providing awards once again. It would be irresponsible of the trustee to continue to award grants when it may have financial liabilities in relation to the farm.

Unfortunately the farm review (which is being undertaken by the Council corporately in relation to all of its farms and which Blaendyffryn has been included for economy sake) has been delayed due to covid and officers are awaiting an update from the Service concerned on completion of the same.

Whilst the charity when making decisions do act for the benefit of the charity and the public it has not specifically reviewed the Charity Commission's guidance entitled 'Public benefit: reporting (PB3)' at its Charity Trustee Committee meetings and cannot confirm that all members of the Charity Trustee Committee have read the guidance especially as some members will be new to the Committee therefore the charity intends to circulate the guidance (both PB3 and PB2) to the members of its Committee at the next meeting and will reference the same in future decision making.

Additional details of objectives and activities (Optional information)

None.

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.

Section D

Achievements and performance

Section D

Achievements and performance

Summary of the main achievements of the charity during the year

None to report – as mentioned in Section C above, no awards have been given due to the awaited farm condition and liability report.

DRAFT

Section E Financial review

Brief statement of the charity's policy on reserves

N/A – no reserves policy.

Details of any funds materially in deficit

N/A

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

None.

Section F Other optional information

None.

Section G Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)

Full name(s)

Position (eg Secretary, Chair, etc)

Date



Trustees' Annual Report for the period

Period start date		Period end date	
From	01 04 2021	To	31 03 2022

Section A Reference and administration details

Charity name Cardiganshire Intermediate and Technical Education Fund

Other names charity is known by

Registered charity number (if any) 514597

Charity's principal address Penmorfa, Aberaeron, Ceredigion

Postcode SA46 0PA

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Ceredigion County Council	N/A	N/A	N/A
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Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year
N/A	

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
Legal (Internal)	Louise Harries - Legal Services	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA
Finance (Internal)	Duncan Hall/Chris Macey – Finance	Canolfan Rheidol, Llanbadarn Fawr, Aberystwyth, Ceredigion
Estates (Internal)	Andrew Harries – Estates Section	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA

Name of chief executive or names of senior staff members (Optional information)

N/A

Section B Structure, governance and management

Description of the charity’s trusts

Type of governing document (eg. trust deed, constitution)	Charity Commission Scheme 30/01/1935 as amended 04/03/1949 and as amended 07/02/2019
How the charity is constituted (eg. trust, association, company)	Trust
Trustee selection methods (eg. appointed by, elected by)	N/A as only one trustee but the Council as trustee appoints elected members to its Charity Trustee Committee which take decisions on behalf of the trustee.

Additional governance issues (Optional information)

<p>You may choose to include additional information, where relevant, about:</p> <ul style="list-style-type: none"> • policies and procedures adopted for the induction and training of trustees; • the charity’s organisational structure and any wider network with which the charity works; • relationship with any related parties; • trustees’ consideration of major risks and the system and procedures to manage them. 	<p>As described above, the trustee has a Charity Trustee Committee which is set up in the Council’s Constitution and which takes decisions for the trustee.</p> <p>All members of the Committee are provided with trustee training when being appointed to the Committee.</p> <p>Any decisions taken by the Committee are actioned by officers of the Council.</p>
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Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

The object of the charity is:
Maintenance of county schools for boys and girls at Aberaeron, Aberystwyth, Cardigan, Llandysul and Tregaron.

The following assets are held by the trust for the above objects:

- 1) Part of the site of Ysgol Gyfun Aberaeron;
- 2) Monies following the sale of the former Ardwyn site in Aberystwyth which now forms part of the PFI monies at Penweddig;
- 3) The site of Ysgol Uwchradd Aberteifi;
- 4) Part of the site of Ysgol Dyffryn Teifi;
- 5) Monies held following the sale of the former Tregaron secondary school.

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

In relation to the land held at Ysgol Gyfun Aberaeron, Ysgol Uwchradd Aberteifi and Ysgol Dyffryn Teifi these sites continue to be used for education purposes in furtherance of the charity's objects.

The capital receipt from the sale of the Ardwyn site being £363,997.65p continues to be held in relation to the PFI payments at Penweddig. For clarity the capital sum is not itself to be utilised.

The sale of the former Tregaron School completed in March 2022 and the next step for the charity is to make decisions in relation to what it wishes to do with that money in the best interests of the charity and in accordance with the Charity Commission Scheme 07/02/2019. This will be the subject of a report to the Charity Trustee Committee at its next meeting.

Whilst the charity when making decisions do act for the benefit of the charity and the public it has not specifically reviewed the Charity Commission's guidance entitled 'Public benefit: reporting (PB3)' at its Charity Trustee Committee meetings and cannot confirm that all members of the Charity Trustee Committee have read the guidance especially as some members will be new to the Committee therefore the charity intends to circulate the guidance (both PB3 and PB2) to the members of its Committee at the next meeting and will reference the same in future decision making.

Additional details of objectives and activities (Optional information)

None.

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.

Section D

Achievements and performance

Summary of the main achievements of the charity during the year

The main achievement has been the completion of the sale of the former Tregaron Secondary school which has been the culmination of 7 years of work by the trustee to alter the Scheme of the charity following the site becoming vacant, undertaking public consultation as to the best use of the site and ultimately the sale of the site so that the proceeds of sale can be utilised for the objects of the 2019 Scheme.

DRAFT

Section E Financial review

Brief statement of the charity's policy on reserves

N/A – no reserves policy.

Details of any funds materially in deficit

N/A

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

None.

Section F Other optional information

None.

Section G Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)

Full name(s)

Position (eg Secretary, Chair, etc)

Date



Trustees' Annual Report for the period

Period start date		Period end date	
From	01 04 2021	To	31 03 2022

Section A Reference and administration details

Charity name

Other names charity is known by

Registered charity number (if any)

Charity's principal address

Postcode

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Ceredigion County Council	N/A	N/A	N/A
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year
N/A	

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
Legal (Internal)	Louise Harries - Legal Services	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA
Finance (Internal)	Duncan Hall/Chris Macey – Finance	Canolfan Rheidol, Llanbadarn Fawr, Aberystwyth, Ceredigion
Estates (Internal)	Andrew Harries – Estates Section	Cyngor Sir Ceredigion, Penmorfa, Aberaeron, Ceredigion, SA46 0PA

Name of chief executive or names of senior staff members (Optional information)

N/A

Section B Structure, governance and management

Description of the charity’s trusts

Type of governing document (eg. trust deed, constitution)	Charity Commission Scheme 11/11/1998
How the charity is constituted (eg. trust, association, company)	Trust
Trustee selection methods (eg. appointed by, elected by)	N/A as only one trustee but the Council as trustee appoints elected members to its Charity Trustee Committee which take decisions on behalf of the trustee.

Additional governance issues (Optional information)

<p>You may choose to include additional information, where relevant, about:</p> <ul style="list-style-type: none"> • policies and procedures adopted for the induction and training of trustees; • the charity’s organisational structure and any wider network with which the charity works; • relationship with any related parties; • trustees’ consideration of major risks and the system and procedures to manage them. 	<p>As described above, the trustee has a Charity Trustee Committee which is set up in the Council’s Constitution and which takes decisions for the trustee.</p> <p>All members of the Committee are provided with trustee training when being appointed to the Committee.</p> <p>Any decisions taken by the Committee are actioned by officers of the Council.</p>
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Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

The object of the charity is:

- (1) The provision and maintenance of museums in Wales, for the exhibition to the public of a collection of objects of antiquity, local history, natural history, art, archaeology or science (including pictures, books and documents of regional, educational or scientific interest);
- (2) The extension, enhancement, conservation and maintenance of the objects comprised in the said collection; and
- (3) The provision of facilities for education and research relating to the said collection.

Yr Hen Gapel Tre'r Ddol is held by the trustee under this trust to be used as a museum in furtherance of the objects of the charity.

Yr Hen Gapel has been used as a museum and for storage since 1999 in furtherance of its objects.

Unfortunately, the condition of the building is damp and deteriorating with storage being overcrowded posing a risk to Council employees and the collection. The Council's Perthyn grant funded project intends to construct a new museum storage facility to house collections and the Committee will be consulted and advised on the matter should the project successfully progress further as there will be decisions required by the trustee in respect of the collection and Yr Hen Gapel.

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

Whilst the charity when making decisions do act for the benefit of the charity and the public it has not specifically reviewed the Charity Commission's guidance entitled 'Public benefit: reporting (PB3)' at its Charity Trustee Committee meetings and cannot confirm that all members of the Charity Trustee Committee have read the guidance especially as some members will be new to the Committee therefore the charity intends to circulate the guidance (both PB3 and PB2) to the members of its Committee at the next meeting and will reference the same in future decision making.

Additional details of objectives and activities (Optional information)

None.

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.

Section D

Achievements and performance

Summary of the main achievements of the charity during the year

No specific achievements to note however as referenced above this property and trust will be reviewed shortly should the Perthyn project continue to successfully progress.

DRAFT

Section E Financial review

Brief statement of the charity's policy on reserves

N/A – no reserves policy.

Details of any funds materially in deficit

N/A

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

None.

Section F Other optional information

None.

Section G Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)

Full name(s)

Position (eg Secretary, Chair, etc)

Date



GUIDANCE

Public benefit: running a charity (PB2)



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Part 1: About this guide

This guide explains public benefit in the context of running a charity.

Legal requirement: all charities must have purposes that are for the public benefit. When running their charity, the charity trustees must carry out the charity's purposes for the public benefit.

This guide is relevant for charity trustees when running their charity. It will also be of interest to you if you are thinking of applying to the Charity Commission to register a charity, so that you understand what it means to carry out your charity's purposes for the public benefit.

Charity trustee duties generally

Legal requirement: charity law says that once a charity has been set up, its trustees must operate it as a charity in accordance with charity law and the charity's purpose.

For more on operating in accordance with a charity's purpose see:

- **Furthering charitable purposes only** (This does not form part of the commission's public benefit guidance)

This guide is not concerned with charity trustees' duties generally. For more on this see:

- **The essential trustee: what you need to know (CC3)** (This does not form part of the commission's public benefit guidance)

This guide deals only with the trustees' duty to carry out their charity's purposes for the public benefit.

Other public benefit guidance

This guide is part of the commission's set of 3 public benefit guides.

Issues relating to whether your organisation's purposes are charitable and public benefit in the context of charity reporting are dealt with in other public benefit guides:

- **Public benefit: the public benefit requirement (PB1)** - This guide explains the public benefit requirement. This requirement affects whether or not an organisation is a charity
- **Public benefit: reporting (PB3)** - This guide explains the trustees' duty to report on how they have carried out the charity's purposes for the public benefit

For more on the commission's public benefit guides see:

- **Public benefit: an overview**

Having regard to our guidance

Legal requirement: The Charities Act says that charity trustees must 'have regard' to the commission's public benefit guidance 'when exercising any powers or duties to which the guidance is relevant'.

'Having regard' to the commission's public benefit guidance means charity trustees should be able to show that:

- they are aware of the guidance
- they have taken it into account when making a decision to which the guidance is relevant
- if they have decided to depart from the guidance, they have good reasons for doing so

References to other guidance

In some places in this guide links are provided to other relevant guidance to which readers of this guide may find it helpful to refer.

Where that other guidance does not form part of the commission's set of public benefit guides, and so is not guidance to which charity trustees must 'have regard', it says so.

The law relating to public benefit

The commission's public benefit guidance is not the law on public benefit. The law on public benefit is contained in charities' legislation and decisions of the courts.

Its public benefit guidance is high level general guidance, written for charity trustees, to explain what the law says on public benefit and how it interprets and applies that law.

It makes decisions about public benefit in individual cases based on the law as it applies to the facts of the particular case, and not on this high level guidance. This is because its general guidance cannot cover all the complexities of the law relating to public benefit.

For more information about the commission's view of what the law says on public benefit see:

- **Analysis of the law relating to public benefit**

This analysis of the law may be of interest to charity trustees who wish to know more about the legal basis of the guidance. However, it does not form part of the commission's set of public benefit guides, and so is not, as such, guidance to which charity trustees must have regard.

Use of 'must' and 'should'

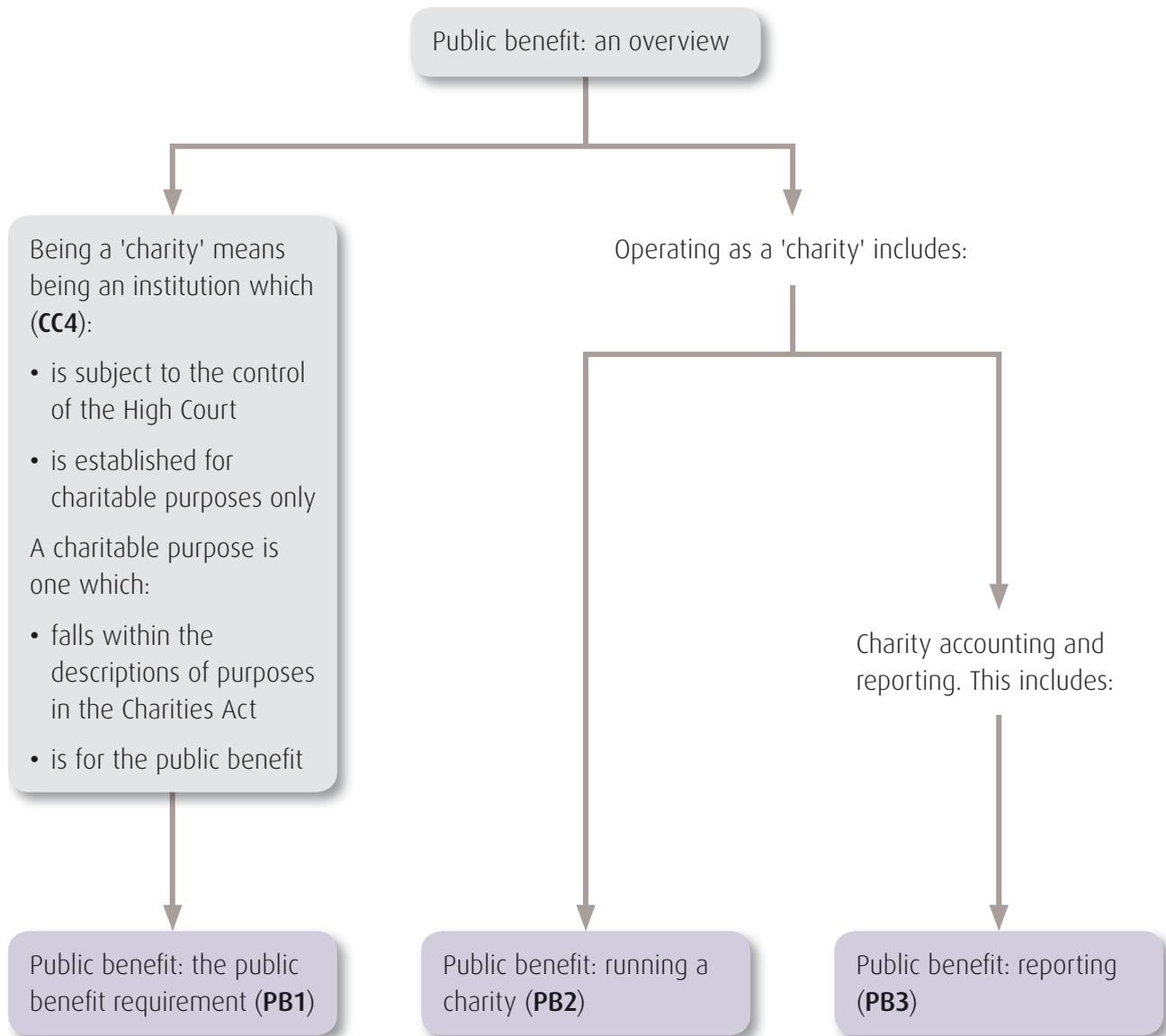
The word 'must' is used where there is a specific legal or regulatory requirement that you must comply with. 'Should' is used for minimum good practice guidance you should follow unless there's a good reason not to.

Also offered is less formal advice and recommendations that trustees may find helpful in the management of their charity.

The public benefit framework

The following chart shows where public benefit in the context of running a charity sits in the overall framework of what it means to be a charity, operate as a charity and report on your charity's work.

Public benefit framework



Part 2: Carrying out purposes for the public benefit

Trustees' duty

Legal requirement: charity trustees must carry out their charity's purposes for the public benefit.

Usually this will be straightforward.

To carry out their charity's purposes for the public benefit, charity trustees should know what their charity's purposes are and understand how each purpose is for the public benefit.

A charity's purpose and its public benefit

Legal requirement: for a purpose to be a 'charitable purpose' it must be 'for the public benefit'.

A charity's purpose is what it is set up to achieve. It is usually stated in the objects clause of its governing document (the legal document that creates the charity and says how it should be run).

The public benefit of a purpose varies from purpose to purpose, and in the context of an individual charity's circumstances.

Understanding the public benefit of each of your charity's purposes means understanding how each purpose satisfies the two aspects of public benefit:

- the 'benefit aspect'
- the 'public aspect'

The 'benefit aspect' of public benefit is about whether the purpose is beneficial.

Legal requirement: to satisfy the 'benefit aspect' of public benefit:

- a purpose must be beneficial
- any detriment or harm that results from the purpose must not outweigh the benefit

The 'public aspect' of public benefit is about who the purpose benefits.

Legal requirement: to satisfy the 'public aspect' of public benefit the purpose must:

- benefit the public in general, or a sufficient section of the public
- not give rise to more than incidental personal benefit

For more on this see the public benefit guidance:

- **Public benefit: the public benefit requirement (PB1)**

Running a charity

Not every decision that charity trustees make when running their charity impacts upon their duty to carry out their charity's purposes for the public benefit.

What are relevant are decisions made by the trustees which impact on:

- the way in which people benefit from the charity's purpose
- who can benefit from it

That means making decisions:

- that ensure that your charity's purpose provides benefit (see part 3 of this guide)
- that manage risks of detriment or harm to the charity's beneficiaries or to the public in general from carrying out your charity's purpose (see part 4 of this guide)
- about who benefits in ways that are consistent with your charity's purpose (see part 5 of this guide)
- that make sure any personal benefits are no more than incidental (see part 6 of this guide)

Making 'the right' decision

When making decisions about how to carry out their charity's purposes for the public benefit, many trustees are concerned about what is 'the right' decision. In many situations there is no one 'right' decision to be made.

Legal requirement: however, trustees must make decisions that are within the range of decisions that trustees could properly make in those particular circumstances.

Provided that the trustees make a decision within that range, then they will have made a 'right' decision.

It is not for the courts or the commission to tell trustees which decision to make where there is a range of decisions open to them.

This means that, as a charity trustee, you generally have a choice about how to carry out your charity's purpose, provided that you exercise your discretion in a way which:

- is in accordance with your charity's purpose (so not operating outside of that purpose)
- is for the public benefit
- has regard to the commission's public benefit guidance where relevant
- is in accordance with the general framework for trustee decision making - for more on this see **It's your decision: charity trustees and decision making** (This is not part of the commission's public benefit guidance)

Part 3: Providing benefit

Carrying out purposes for the public benefit

The way in which a charity's purpose is beneficial is part of what makes it charitable.

When running a charity, the charity trustees do not have repeatedly to demonstrate that the purpose continues to satisfy the benefit aspect of the public benefit requirement.

For example, once the benefit to the public of a purpose to preserve a particular building of historical or architectural importance has been demonstrated, the trustees do not have to keep demonstrating the historical or architectural merit each year.

However, when making decisions about how to carry out your charity's purpose for the public benefit you should:

- understand how your charity's purpose is beneficial
- carry out the purpose so as to benefit the public in that way

For example, in running a historic building charity the trustees would simply have to make sure the public benefits from the preservation of the architectural or historically important building, and report on that in their trustees' annual report.

Part 4: Managing risk of harm

Carrying out purposes for the public benefit

Carrying out a charity's purposes for the public benefit includes managing risks of harm to the charity's beneficiaries or to the public in general that might result from carrying out the purpose.

When making decisions about how to carry out your charity's purpose for the public benefit you should:

- identify risks of harm
- minimise risk of harm and
- make sure any harm that might arise is a minor consequence of carrying out the purpose

Part 5: Deciding who benefits

Carrying out purposes for the public benefit

When making decisions about how to carry out your charity's purpose for the public benefit you should:

- know who can potentially benefit from your charity's purpose
- give proper consideration to the full range of ways in which you could carry out your charity's purpose

When making decisions that affect who can benefit, you may choose to focus on certain beneficiaries. You can do this provided that:

- you have proper reasons for doing so
- you do not exclude the poor from benefit
- the smaller group of people you wish to focus on is a sufficient section of the public for your charity's purpose
- you make decisions in accordance with the framework for **trustee decision-making** (This does not form part of the commission's public benefit guidance)

Making decisions about who benefits doesn't just involve identifying individual people or organisations to benefit. There are other factors which can have the effect of limiting who can benefit. Such factors include:

- benefits accessed only through membership
- physical access to a charity's facilities, such as opening hours
- charging for a charity's services

Benefits accessed only through membership

Legal requirement: A charity must not be set up to provide benefit only to the organisation's members unless:

- a sufficient section of the public can access those benefits by becoming members
- the membership structure is a suitable way of carrying out the charity's purposes for the public benefit

For more on this see Annex A: Benefits accessed through membership.

Physical access to a charity's facilities

Where a charity provides facilities for the public, its trustees can limit the amount of access the public has to those facilities, such as by having limited opening hours. This is provided that:

- this helps to carry out the charity's purpose in a better way
- the amount of access overall is appropriate in the charity's circumstances

For more on this see Annex B: Physical access to a charity's facilities.

Charging for services

Charities can charge for the services or facilities they offer.

Legal requirement: however, where a charity's charges are more than the poor can afford its trustees must run the charity in a way that does not exclude those who are poor.

For more on this see Annex C: Charging for services.

Part 6: Managing personal benefits

Carrying out purposes for the public benefit

Legal requirement: a charity can provide personal benefit if this is 'incidental' to carrying out its purpose.

What 'personal benefit' means

A 'personal benefit' (sometimes also called a 'private benefit') means a benefit that someone receives from a charity. That 'someone' might be an individual or an organisation.

What 'incidental' means

Personal benefit is 'incidental' where (having regard both to its nature and to its amount) it is a necessary result or by-product of carrying out the purpose.

When making decisions about how to carry out your charity's purpose for the public benefit you should make sure personal benefits are no more than incidental.

Examples of personal benefit

For examples of types of personal benefit which might arise from a charity's purpose, or from running a charity, see:

- **Examples of personal benefit** (This is not part of the commission's public benefit guidance)

Part 7: Not carrying out a purpose for the public benefit

It is for charity trustees to decide how to carry out their charity's purposes for the public benefit.

Where trustees are not carrying out their charity's purposes for the public benefit, the commission expect the trustees to address and resolve this.

If it considers that the trustees are not complying with their duty to carry out their charity's purposes for the public benefit, it will consider this in accordance with its **Risk Framework** (This is not part of the commission's public benefit guidance). It will decide how much time it can give the trustees to make any necessary changes and whether it needs to take any regulatory action to put things right.

In rare cases, where it is no longer, or never was, possible to carry out a purpose for the public benefit, this would suggest that it is the purpose itself that is not for the public benefit.

If possible, the commission will assist a charity's trustees to redefine their charity's purpose. In extreme cases, where it is not possible for the trustees to put right the difficulties with the organisation's purpose, this would mean that the purpose is not charitable and so the organisation is not a charity.

For more on this see:

- **Public benefit: the public benefit requirement (PB1)**

Challenging a decision made by the commission

If the commission decide to take action in relation to any breach of the trustees' duty to carry out the charity's purposes for the public benefit, and the trustees think its decision is wrong, they may be able to challenge it.

For more on this see:

- **Complaining about a decision we have made** (This does not form part of the commission's public benefit guidance)

Part 8: Further information

This part provides links to other guidance which you may find of interest in relation to this guide.

The following are included in the commission's set of public benefit guides:

- Legal requirement: **Public benefit: reporting (PB3)**

This guide explains the trustees' duty to report in their trustees' annual report on how they have carried out their charity's purposes for the public benefit.

- Legal requirement: **Public benefit: the public benefit requirement (PB1)**

This guide explains the legal requirement that a charity's purpose must be for the public benefit. This is known as the 'public benefit requirement'.

The following are not included in the commission's set of public benefit guides:

- **Public benefit: an overview**

This guide gives an overview of the commission's public benefit guidance. It explains:

- how understanding public benefit will help a charity's trustees
- the trustees' duty to 'have regard' to its public benefit guidance
- some key points to know about the law relating to public benefit

- **Furthering charitable purposes only**

This explains the duty of charity trustees to further (or carry out) their charity's charitable purposes only.

- **Analysis of the law relating to public benefit**

This analysis is a summary of the commission's view of the law relating to public benefit.

- **What makes a charity (CC4)**

This guide explains what the law requires for an organisation to be a charity according to the law in England and Wales.

- **Start up a charity**

General guidance on setting up and registering a new charity.

Annex A: Benefits accessed through membership

When membership provides public benefit

Legal requirement: a charity must not be set up to provide benefit only to the organisation's members unless:

- a sufficient section of the public can access those benefits by becoming members
- the membership structure is a suitable way of carrying out the charity's purposes for the public benefit

All those who might benefit should be able to apply to join and there should be objective criteria for deciding membership.

Often membership is limited to people living in a particular geographical area. Often there are practical reasons which dictate a limit upon membership numbers, such as where there is limited access to recreational facilities for health and safety reasons.

In these cases it is acceptable to have a waiting list for membership provided the next available membership is offered on a 'first come, first served' basis.

It is not possible to provide an exhaustive list of circumstances in which membership can be used to limit benefit to a section of the public. Ultimately it depends on the individual circumstances of a charity.

When membership does not provide public benefit

Legal requirement: to carry out a charity's purposes for the public benefit, trustees of charities which have a membership must ensure that any changes to membership provisions do not have the effect of turning the charity into a private members' club.

For more on this see:

- **Public benefit: the public benefit requirement (PB1)** (Part 5)

Annex B: Physical access to a charity's facilities

Where a charity provides facilities for the public, its trustees may restrict physical access to those facilities for reasons of:

- security of property
- lack of resources
- the condition of, and need for, preservation of land, buildings or artefacts
- the better administration of the charity

Legal requirement: charity trustees must ensure that they comply with the law regarding access to facilities.

Legal requirements: for example, where appropriate, trustees must have regard to the provisions of the Equality Act regarding the provision of physical access to buildings for people with disabilities.

Limiting opening hours

There is no set requirement for opening hours. However, as a matter of good practice, trustees should ensure that access is available frequently enough to cater for all types of visitor given the nature of the facility provided by the charity.

This might include, for example, being open at weekends as well as normal business hours, Monday to Friday. If a charity cannot stay open every day, for example for reasons of cost, the trustees will need to decide the days on which it will close.

Subject to any circumstances outside the trustees' control which restrict how the charity can operate, they should normally make arrangements for the charity to open on the days when the people for whom the facility is provided are more likely to be able to visit.

Annex C: Charging for services

Charities charging for services

Charities may charge for the services or facilities they offer. This will usually be because:

- the charity's services or facilities are expensive to provide
- unless the charity makes charges, it will be unable to operate at all

Examples of charities that often charge for their services include:

- educational organisations (such as schools and universities)
- hospitals
- care homes
- recreational charities (such as sports or leisure centres, recreation grounds or village halls)
- artistic, preservation and conservation charities (such as theatres, museums and stately homes)
- charities that charge for membership
- charities that charge for publications

Charges that the poor cannot afford

Legal requirement: one aspect of the trustees' duty to carry out their charity's purposes for the public benefit is that they must not run the charity in a way that excludes the poor from benefit. That could happen if the charges a charity makes for its services or facilities are of a level that the poor cannot afford.

There is no universal definition of 'the poor' in this context, and there is no universal definition of the charges that the poor cannot afford.

Charity law recognises that 'the poor' is a relative term, which depends on the circumstances in individual cases. However, 'the poor' does not just mean the very poorest in society and it can include people of modest means.

Legal requirement: if a charity charges for the services or facilities it offers, the charity's trustees must consider whether their charity's charges are more than the poor can afford.

This might depend, for example, on:

- the nature of the service and the frequency or regularity with which such a service is likely to be used or needed, and
- the consequent financial commitment likely to be required by beneficiaries

However, in general, it will usually mean charges that someone of modest means will not find readily affordable.

Examples of charges that the poor can usually afford include:

- membership fees of a few pounds paid by local residents to hire out a village hall
- small entry fees to attend events at a community centre or visit an historic house or site
- the annual cost of a library card
- low ticket prices to see a production by an amateur dramatic society
- low hourly fees to use a charitable public internet terminal
- small subscription or membership fees to join a playgroup, scouts, guides, youth club or after-school club, sports club or leisure centre
- mobile units (such as medical boats, food and clothing vans) touring deprived areas in developing countries providing services, equipment, goods or facilities at low cost for local people

Legal requirement: if the trustees consider the charges their charity makes are of a level that the poor cannot afford, then they must ensure that the poor can benefit.

Making provision for the poor to benefit

Legal requirement: the level of provision that trustees make for the poor must be more than minimal or token.

Legal requirement: it is for a charity's trustees to decide, taking into account all the circumstances of their charity, what provision (in addition to what would be more than minimal or token provision) to make to enable the poor to benefit.

Legal requirement: trustees must make decisions that are within the range of decisions that trustees could properly make in those particular circumstances.

This might be demonstrated, for example, by making decisions in accordance with the framework for **trustee decision making**. (This guidance is not part of the commission's public benefit guidance.)

There are no objective benchmarks for trustees to follow regarding what is more than minimal or token provision for the poor. This is a matter for the trustees to decide, taking into account all the circumstances of their charity.

It could include a reduction in charges for people who cannot afford the full cost, or by providing benefit in other ways, such as by supporting the delivery of similar services by a state-run organisation.

Trustees can take into account the availability of other sources of funding from outside the charity which assist the poor in accessing the benefits of the charity. This might include, for example:

- scholarship funds provided by other charities
- local authority funding to pay towards the cost of residential care
- government loans for students attending university

In deciding how to make provision for the poor to benefit, trustees may find it helpful to look at some **examples** that have been set out. (These examples are illustrative only and are not part of the commission's public benefit guidance.)

The Upper Tribunal set out some factors which may be relevant to whether a charitable fee-charging school was making appropriate provision for the poor to benefit. Trustees of all fee-charging charities considering this issue may find these helpful. Those factors include:

- the level of fees charged
- the charity's financial situation and business plans (including the level of salaries for professional staff and their required level of qualification)
- how the charity operates on the ground
- whether the charity provides a 'luxury' service and what facilities it offers
- whether the charity has any endowment funds (the funds which the trustees are legally required to invest or keep and use for the charity's purposes. Endowment may be expendable or permanent)
- the charity's geographical location and other relevant local factors (such as whether it is in an area of social deprivation)

Trustees of charitable fee-charging independent schools may also find it helpful to look at how the Upper Tribunal answered some **hypothetical questions** put to them by the Attorney General about making provision for the poor. (These questions and answers are not part of the commission's public benefit guidance) To understand these questions and answers in context, some trustees may wish to view the **full judgment of the Upper Tribunal**.

Annex D: Technical terms used in this guidance

The following terms are used in this guide, and should be understood as having the specific meanings given below:

The Charities Act: the Charities Act 2011.

Charity trustees: the people who serve on the governing body of a charity. They may be known as trustees, directors, board members, governors or committee members. Charity trustees are responsible for the general control and management of the administration of a charity.

Governing document: a legal document setting out a charity's purposes and, usually, how it is to be administered. It may be a trust deed, constitution, articles of association, will, conveyance, Royal Charter, scheme of the commission, or other formal document.

Objects: A charity's 'objects' are a statement of its purposes. Usually these are found in the 'objects clause' of a charity's governing document. However, not all charities have a governing document with an objects clause.

Usually a charity's objects clause means the same as its purposes, but sometimes they are slightly different, such as when:

- the objects clause does not adequately or fully express the organisation's purposes
- the clause contains more than just the objects, such as powers

Public benefit requirement: the legal requirement that, to be a charity, an organisation's purposes must each be for the public benefit (legal requirement).

Purpose(s) and charitable purpose(s): the term '**purpose(s)**' is used to mean the purpose(s) of an individual organisation. A charity's purpose is what it is set up to achieve.

To be a '**charitable purpose**' a purpose must fall within one of the descriptions of purposes in the Charities Act and be for the public benefit. This has to be demonstrated in each case (legal requirement).

The courts: this term is used to mean, collectively, the Tribunal, the Upper Tribunal and the courts.

The Tribunal: the First-tier Tribunal (Charity) is the first level of appeal against the decisions of the commission set out in Schedule 6 of the Charities Act.

The Upper Tribunal: The Upper Tribunal (Tax and Chancery Chamber) is the second level of appeal against decisions of the commission set out in Schedule 6 of the Charities Act.



CHARITY COMMISSION
FOR ENGLAND AND WALES

GUIDANCE

Public benefit: reporting (PB3)



SEPTEMBER 2013

New format January 2017

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Part 1: About this guide

Legal requirement: this guide explains the duty that charity trustees must report on how they have carried out their charity's purposes for the public benefit.

This guide is relevant to you if you are a trustee of a registered charity. It will also be of interest to you if you are thinking of applying to the Charity Commission to register a charity, so that you understand the duty to report on public benefit following registration.

Other public benefit guidance

This guide is part of the commission's set of 3 public benefit guides.

Issues relating to whether your organisation's purposes are charitable and carrying out those purposes in the context of running a charity are dealt with in other public benefit guides:

- **Public benefit: the public benefit requirement** (PB1) - This guide explains the public benefit requirement. This requirement affects whether or not an organisation is a charity
- **Public benefit: running a charity** (PB2) – This guide explains public benefit in the context of running a charity

For more on the commission's public benefit guides see:

- **Public benefit: an overview**

Having regard to commission guidance

Legal requirement: the Charities Act says that charity trustees must 'have regard' to the commission's public benefit guidance 'when exercising any powers or duties to which the guidance is relevant'.

Legal requirement: the Charities (Accounts and Reports) Regulations 2008 requires charity trustees to include a statement in their trustees' annual report as to whether they have complied with that duty.

'Having regard' to the commission's public benefit guidance means charity trustees should be able to show that:

- they are aware of the guidance
- they have taken it into account when making a decision to which the guidance is relevant
- if they have decided to depart from the guidance, they have good reasons for doing so

References to other guidance

In some places in this guide links are provided to other relevant guidance to which readers of this guide may find it helpful to refer.

Where that other guidance does not form part of the commission's set of public benefit guides, and so is not guidance to which charity trustees must 'have regard', it says so.

The law relating to public benefit

The commission's public benefit guidance is not the law on public benefit. The law on public benefit is contained in charities' legislation and decisions of the courts.

The commission's public benefit guidance is high level general guidance, written for charity trustees, to explain what the law says on public benefit and how it interprets and applies that law.

The commission make decisions about public benefit in individual cases based on the law as it applies to the facts of the particular case, and not on this high level guidance. This is because its general guidance cannot cover all the complexities of the law relating to public benefit.

For more information about the commission's view of what the law says on public benefit see:

- **Analysis of the law relating to public benefit**

This analysis of the law may be of interest to charity trustees who wish to know more about the legal basis of commission guidance. However, it does not form part of the commission's set of public benefit guides, and so is not, as such, guidance to which charity trustees must have regard.

Use of 'must' and 'should'

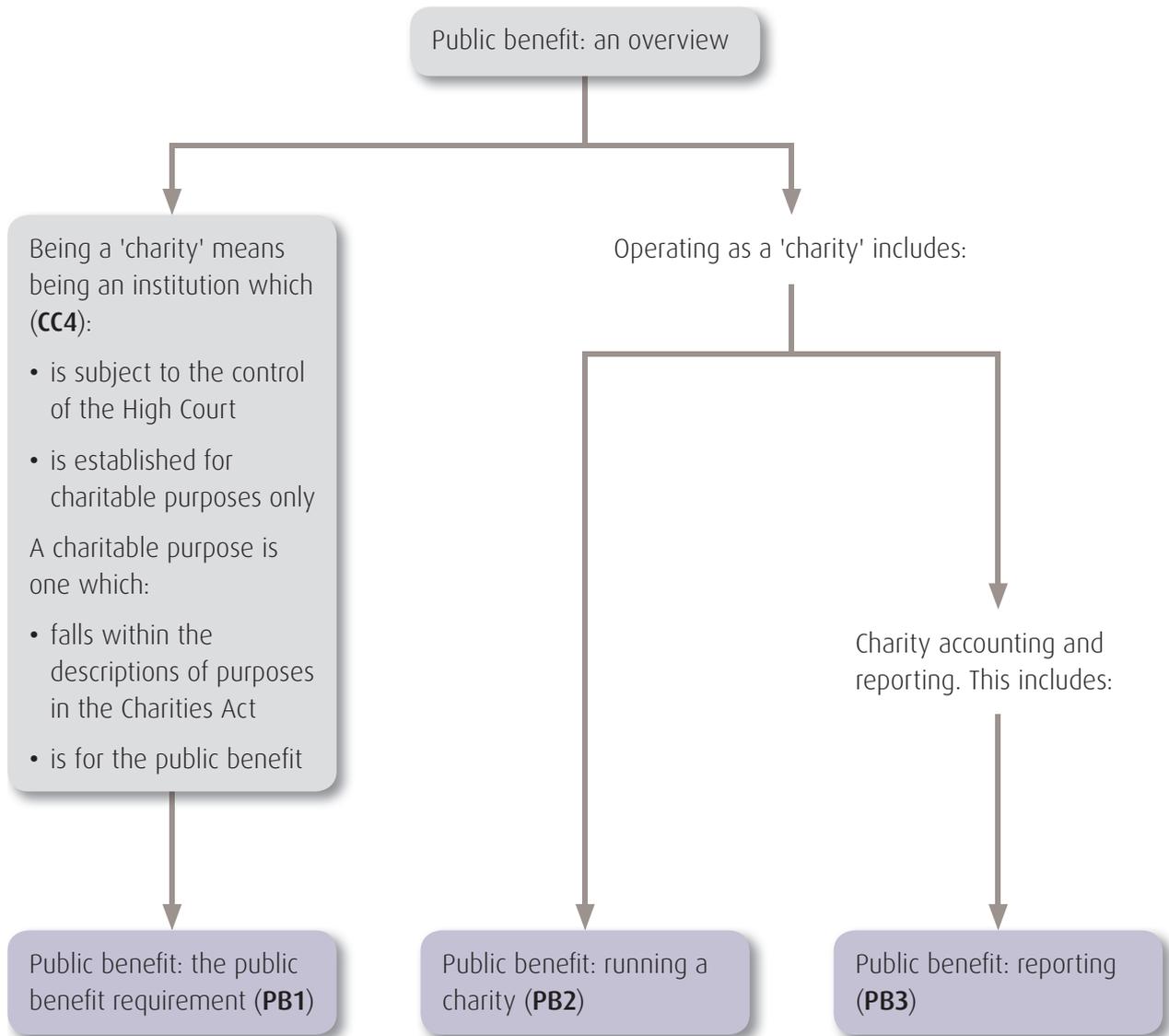
The word 'must' is used where there is a specific legal or regulatory requirement that you must comply with. 'Should' is used for minimum good practice guidance you should follow unless there's a good reason not to.

The commission also offer less formal advice and recommendations that trustees may find helpful in the management of their charity.

The public benefit framework

The following chart shows you where reporting on public benefit sits in the overall framework of what it means for your organisation to be a charity, to operate as a charity and to report on your charity's work.

Public benefit framework



Part 2: The requirement to report on public benefit

Legal requirement: trustees of registered charities must report each year in their trustees' annual report on how they have carried out their charity's purposes for the public benefit.

This requirement is set out in the Charities (Accounts and Reports) Regulations 2008 (see Annex A).

The public benefit reporting requirement for smaller charities

'Smaller charities' are registered charities below the audit threshold where gross income does not exceed £500,000.

Legal requirement: trustees of smaller registered charities must report on public benefit by:

- including a brief summary setting out the main activities undertaken by the charity to carry out its charitable purposes for the public benefit
- including a statement as to whether they have complied with their duty to have due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant

The public benefit reporting requirement for larger charities

'Larger charities' are registered charities above the audit threshold where gross income exceeds £500,000.

Legal requirement: trustees of larger registered charities must report on public benefit by:

- providing a review in the trustees' annual report of the significant activities undertaken by the charity to carry out its charitable purposes for the public benefit
- providing details of purposes and objectives
- providing details of strategies adopted and activities undertaken to achieve those purposes and objectives
- providing details of the achievements by reference to the purposes and objectives set
- including a statement as to whether they have complied with their duty to have due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant

Part 3: How to report on public benefit

Rules about how to report on public benefit

Other than the different reporting requirements for smaller and larger registered charities set out in part 2 of this guide, there are no rules about how trustees should report on public benefit.

It is for trustees to decide the level of detail they wish to use to describe how they have carried out their charity's charitable purposes for the public benefit in the reporting year.

How to deal with public benefit in the trustees' annual report

It is not necessary for a report on public benefit to be dealt with as a separate section of a trustees' annual report. It can be addressed, naturally, throughout the body of the report.

For many registered charities (especially smaller charities) it will be enough to satisfy the requirement to report on public benefit where the trustees' annual report:

- explains what the charity is there to achieve (its purposes)
- explains what the charity has done during the year to carry out those purposes (for the public benefit)
- includes a statement whether the trustees, in making decisions about that, have had due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant

How public benefit reporting can help charities

Charity trustees have a duty to carry out their charity's purposes for the public benefit. (See **Public benefit: running a charity** (PB2).) Public benefit reporting is an opportunity for the trustees to explain how they have done that each year. Public benefit reporting, when done well, can be an effective tool for trustees.

Charity trustees, who say that public benefit reporting has helped their charity, tell the commission that it helps to:

- stay focused on what their charity is there to achieve (its purposes) when planning activities
- demonstrate what their charity does and the value of its work, particularly when applying for grant funding or fundraising
- link with impact reporting and demonstrating the charity's transparency and accountability
- improve the overall quality of reporting on the charity's work

Examples of public benefit reporting

Legal requirement: those charities not eligible, or not opting, to prepare their accounts on a receipts and payments basis must prepare their accounts to comply with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities.

To help charity trustees preparing their reports and accounts in line with the recommendations of SORP 2005, the commission have produced some **Example trustees' annual reports and accounts**. Although these do not form part of its public benefit guidance, trustees may find them helpful in designing the layout and format of their trustees' annual report in a way which includes reporting on public benefit.

The examples address the different public benefit reporting requirements for smaller and larger registered charities.

Part 4: Trustees' annual reports sent to the commission

Displaying Trustees' annual reports on the commission website

The commission displays on its website trustees' annual reports that are sent to them.

Endorsing Trustees' annual reports about public benefit

The commission do not, as a matter of policy, endorse reporting on public benefit by individual charities.

However, it will continue to seek and provide examples of good public benefit reporting as models to help other similar charities.

Checking Trustees' annual reports

The commission do check a random sample of trustees' annual reports for the quality of reporting, including about public benefit.

The trustees' annual report is important to a charity reporting its work transparently to donors and the public. The commission may consider a general failure to report to be a possible indication of other problems that it might wish to explore further with the trustees.

Also, where it is brought to the commission's attention, it would consider persistent non-reporting of public benefit by charity trustees a potential regulatory issue.

Part 5: Further information

This part provides links to other guidance which you may find of interest in relation to this guide.

The following are included in the commission's set of public benefit guides:

- Legal requirement: **Public benefit: running a charity** (PB2)
This guide explains public benefit in the context of running a charity.
- Legal requirement: **Public benefit: the public benefit requirement** (PB1)
This guide explains the legal requirement that a charity's purpose must be for the public benefit. This is known as the 'public benefit requirement'.

The following are not included in the commission's set of public benefit guides

- **Public benefit: an overview**
This guide gives an overview of the commission's public benefit guidance. It explains:
 - how understanding public benefit will help a charity's trustees
 - the trustees' duty to 'have regard' to the commission's public benefit guidance
 - some key points to know about the law relating to public benefit
- Legal requirement: **Preparing your trustees' annual report**
Guidance on the requirement in the Charities Act that all registered charities must prepare a trustees' annual report.
- **Example trustees' annual reports and accounts**
Guidance to help charities preparing their reports and accounts in line with the recommendations of SORP 2005.
- **Principles of Good Impact Reporting**
This document sets out some principles of good impact reporting.

Part 6: Technical terms

The following terms are used in this guide, and should be understood as having the specific meanings given below:

The Charities Act: the Charities Act 2011.

Charity trustees: the people who serve on the governing body of a charity. They may be known as trustees, directors, board members, governors or committee members. Charity trustees are responsible for the general control and management of the administration of a charity.

Governing document: a legal document setting out a charity's purposes and, usually, how it is to be administered. It may be a trust deed, constitution, articles of association, will, conveyance, Royal Charter, scheme of the commission, or other formal document.

Objects: A charity's 'objects' are a statement of its purposes. Usually these are found in the 'objects clause' of a charity's governing document. However, not all charities have a governing document with an objects clause.

Usually a charity's objects clause means the same as its purposes, but sometimes they are slightly different, such as when:

- the objects clause does not adequately or fully express the organisation's purposes
- the clause contains more than just the objects, such as powers

Public benefit requirement: the legal requirement that, to be a charity, an organisation's purposes must each be for the public benefit (legal requirement).

Purpose(s) and charitable purpose(s): the commission use the term '**purpose(s)**' to mean the purpose(s) of an individual organisation. A charity's purpose is what it is set up to achieve.

To be a '**charitable purpose**' a purpose must fall within one of the descriptions of purposes in the Charities Act and be for the public benefit. This has to be demonstrated in each case (legal requirement).

The courts: the commission use this term to mean, collectively, the Tribunal, the Upper Tribunal and the courts.

The Tribunal: the First-tier Tribunal (Charity) is the first level of appeal against the decisions of the Charity Commission set out in Schedule 6 of the Charities Act.

The Upper Tribunal: The Upper Tribunal (Tax and Chancery Chamber) is the second level of appeal against decisions of the commission set out in Schedule 6 of the Charities Act.

Annex A: Charities (Accounts and Reports) Regulations 2008

This part provides an extract from the Charities (Accounts and Reports) Regulations 2008 in relation to reporting on public benefit.

40.- (1) This regulation applies to an annual report prepared in accordance with section 45(1) of the 1993 Act by the charity trustees of a non-parent charity.

(2) The report on the activities of a charity during the year which is required to be contained in the annual report prepared under section 45 of the 1993 Act-

(a) must specify the financial year to which it relates;

(b) must-

(i) in the case of a charity which is not an auditable charity, be a brief summary setting out-

(aa) the main activities undertaken by the charity to further its charitable purposes for the public benefit; and

(bb) the main achievements of the charity during the year.

(ii) in the case of a charity which is an auditable charity, be a review of the significant activities undertaken by the charity during the relevant financial year to further its charitable purposes for the public benefit or to generate resources to be used to further its purposes including-

(aa) details of the aims and objectives which the charity trustees have set for the charity in that year, details of the strategies adopted and of significant activities undertaken, in order to achieve those aims and objectives;

(bb) details of the achievements of the charity during the year, measured by reference to the aims and objectives which have been set;

(cc) details of any significant contribution of volunteers to these activities;

(dd) details of the principal sources of income of the charity; and

(ee) a statement as to whether the charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks;

(c) must-

(i) where-

(aa) any fund of the charity was in deficit at the beginning of the relevant financial; and

(bb) the charity is one in respect of which a statement of accounts has been prepared under section 42(1) of the 1993 Act for that financial year,

contain particulars of the steps taken by the charity trustees to eliminate that deficit;

(ii) contain a statement by the charity trustees as to whether they have complied with the duty in section 4 of the 2006 Act to have due regard to guidance published by the Commission; and

(iii) be dated and be signed by one or more of the charity trustees, each of whom has been authorised to do so