

6 JULY 2016

REPORT TITLE	<i>CALLISTER YOUTH CLUB</i>
REPORT OF	<i>HEAD OF LEGAL AND MEMBER SERVICES</i>

REPORT SUMMARY

- (a) This report draws to the Committee's attention the history and current position of the Callister Youth Club of which the Council is the trustee. The Callister Youth Club is a charity whose objects are the promotion of the welfare of girls and young women resident in the area of Birkenhead. The Council holds 19 Argyle Street and land in Slaty Road, Birkenhead as trustee for the Club (which no longer has any membership). The report describes recent correspondence with the Charity Commission on the options open to the Council in respect of updating the objects of the trust, the possible transfer of the trust to another trustee and the future use or disposal of the properties in Argyle Street and Slaty Road, Birkenhead.
- (b) The matter affects all wards within the Borough. The decisions to be made by the Committee must be governed solely by the interests of the beneficiaries of the trust and not those of the Council. The decisions are not however key decisions.

RECOMMENDATION/S

1. The Committee resolves to amend the objects of the trust under Section 275 of the Charities Act 2011 so that they be defined as "the promotion of the welfare of persons living within the boundaries of the Metropolitan Borough of Wirral who are in need because of their youth".
2. The Committee resolves for the time being not to appoint new trustees in the Council's place and rent from them 19 Argyle Street but to continue to occupy the property on terms that it is used exclusively for the purposes of the amended objects of the Callister Youth Club either by Council employees or other organisations.
3. The Committee accepts the advice of the Charity Commission that the unused land in Slaty Road be sold at the best price reasonably obtainable and the proceeds invested in order to provide an income for the charity. It instructs the officers to obtain an independent valuation of the property and report the outcome to a future meeting of this Committee for a decision on its disposal.
4. The Committee instructs the officers also to obtain an independent valuer's opinion of the rent the trust would receive if it were to lease 19 Argyle Street on the open market.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATION/S

- 1.1 To modernise the objects of the trust so as to remove its geographical and gender limitations.
- 1.2 To comply with the law on charities.
- 1.3 To dispose of land in Slatey Road for which the charity has no use and to invest the proceeds of sale for the benefit of young persons in need and to defray the future maintenance, repair and running costs of 19 Argyle Street.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The transfer of the properties to another suitable charity whose objects are similar to those of the amended objects of the Club subject to the consent of the Charity Commission if the selected charity has objects wider than those amended objects.

3.0 BACKGROUND INFORMATION

- 3.1 By order of the Minister of Education dated 11 February 1960 the Council was appointed as sole trustee for the EF Callister Youth Club and the properties belonging to the charity set out in the order were vested in the Council as trustee.
- 3.2 The objects of the charity are the promotion of the welfare of girls and young women resident in the area of Birkenhead.
- 3.3 There are two properties vested in the Council as trustee.
- 3.4 There is a vacant piece of land in Slatey Road, Birkenhead consisting of old tennis courts which has been used in the past as a gardening/environmental project.
- 3.5 The other property is 19 Argyle Street, Birkenhead which is currently occupied by the Council's Response Service which provides advice, counselling and guidance to young people suffering from homelessness or alcohol/substance abuse or other problems. These services are provided to young people regardless of their gender and although some do originate from Birkenhead none are turned away if they live elsewhere in the Borough.

4.0 HISTORY

- 4.1 For many years the Council entrusted the day to day running of the charity to a management committee of the Callister Youth Club which provided social activities for young women, but over the years attendance gradually declined. The houses which used to provide the club with membership were demolished. In 2001, attendance was reported at 50 per week which then declined to between 25 and 30 in 2002. When the membership dwindled to 8 the Council decided the club would have to close and it ceased to be operational from about 2006.
- 4.2 The Council has met all regular outgoings in respect of the Argyle Street premises such as electricity, water, insurance and, when the club was operational, all staffing costs. Day to day repairs have also been carried out at the Council's expense.

- 4.3 The Argyle Street premises were refurbished in 1993 from a grant of £167,000 provided by the Merseyside Development Corporation and £17,000 provided by the Council. The architects fees of £14,507.34 were met from the funds of the club.
- 4.4 There is a dormant bank account in the name of the Callister Youth Club in the sum of £32,000 (approximately).

5.0 LEGAL POSITION

- 5.1 The status quo cannot be maintained. The Council is occupying the Argyle Street premises and using them for purposes that are wider than those of the current objects of the Callister Youth Club as explained above. That is not permitted under charitable trust law.
- 5.2 There is currently a conflict of interest between the Council's role as trustee and its use of the premises for its wider statutory functions of promoting the welfare of young people regardless of gender and regardless of their place of residence in the Borough.
- 5.3 The Slatey Road premises lie idle when they (or their proceeds of sale) should be used for the benefit of the young people which the trust should serve.
- 5.4 The indicative rental value of the Argyle Street premises is its rateable value (£8,400 pa) assuming that a landlord would accept full repairing responsibility other than for internal repairs. This is income which the trust has forgone ever since the Council has used the premises for the Response Service. On the other hand the Council has incurred expenditure on the day to day running and repair of the premises which otherwise would have had to be met from the funds of the club. It also contributed to the refurbishment costs of the premises.
- 5.5 It is recommended that the rental value of 19 Argyle Street be assessed by an independent valuer so that at a future date the Council can use that information to decide what to do with the property in the interests of the trust and its beneficiaries.

6.0 CORRESPONDENCE WITH THE CHARITY COMMISSION

- 6.1 In order to resolve the issues identified above the Council has been in correspondence with the Charity Commission since October 2015. Copies of that correspondence is included in Appendix 1.
- 6.2 The Charity Commission has advised the Council that since the annual income of the club is below £10,000 the Council as current trustee could pass a resolution under Section 275 of the Charities Act 2011 to amend the objects of the charity so that the club could operate over a wider geographical area and include male beneficiaries.
- 6.3 It is proposed that the objects of the trust should be amended by being defined as "the promotion of the welfare of persons living within the boundaries of the Metropolitan Borough of Wirral who are in need because of their youth".
- 6.4 The Council would only have the power to pass such resolution if it were satisfied that it was expedient for the charity for the purposes in question to be replaced and that so far as reasonably practicable the new purposes consisted of or included purposes that were similar in character to those that were to be replaced.

- 6.5 The Council would have to send a copy of the resolution to the Charity Commission together with a statement of its reasons for passing it.
- 6.6 The new purposes would be similar in character to the Callister Youth Club's objects. The purposes of the trust would however be widened to include the welfare of young people not simply young women. Discrimination on the grounds of gender is no longer appropriate. The abolition of the old local government boundaries makes Wirral a more suitable geographical area than the boundaries of the old Birkenhead Corporation.
- 6.7 The amended objects of the charity would fall within the definition of a charitable trust contained within Section 3 of the Charities Act 2011 which refers to "the relief of those in need because of youth". Those amended objects would fall within the scope of the Council's Response Service so that the Council's continued occupation of Argyle Street would no longer be outside the scope of the charitable trust.

7.0 COUNCIL'S REPLACEMENT AS TRUSTEE

- 7.1 It could be argued that there is still a conflict of interest between the Council in its capacity as trustee and the Council as a provider of the Response Youth Service and occupier of the trust's property in Argyle Street.
- 7.2 One way of resolving the conflict would be to obtain the Charity Commission's consent to the transfer of the trust to another suitable charity whose objects were closest to the amended objects of the trust.
- 7.3 The Charity Commission's advice however is that it would be simpler to advertise for suitable new trustees and then resolve to vest the trust properties in those new trustees. The new trustees would then decide how the Argyle Street and Slatey Road premises were be used or disposed of solely from the perspective of the interests of the beneficiaries of the charitable trust.
- 7.4 This could lead to the Council having to vacate 19 Argyle Street if the new trustees were either to sell the premises or to lease them to another organisation.
- 7.5 On the other hand the estimated rental value of the Argyle Street premises is relatively low. It is difficult to see how a youth club there could function without the Council's financial support. Sharing the use of the premises with the Council and working closely with the Council's Response Service would be the best way of serving the needs of young people.
- 7.6 Subject to the views of the Charity Commission, it might therefore be sensible to defer any decision on finding and appointing new trustees until the land in Slatey Road is disposed of and the proceeds of sale are known. Receipt of substantial proceeds of sale might transform the position of the charity which could then devote all its resources to the Argyle Street premises and be less dependent on the Council. New trustees could then be appointed to review all the options open to the charity, having regard also to the independent estimate of the rental value of 19 Argyle Street.

8.0 SLATEY ROAD

- 8.1 The Charity Commission has invited the Council to consider disposal of this vacant property so that the proceeds can be used for the benefit of the trust.
- 8.2 There would need to be an independent valuation of the property based on its most profitable use.

8.3 It is considered that the property has potential value as a site for residential development. It is therefore proposed that in accordance with the Charities Act 2011 the Council obtain an independent valuation of the property so that the Council could decide at a future date on what terms to offer the premises for sale.

9.0 FINANCIAL IMPLICATIONS

There are none directly affecting the Council other than in its capacity as trustee. Equally the proceeds of sale of Slatey Road would not be received by the Council in its statutory role but only in its capacity as trustee for the benefit of young people in the Borough.

10.0 LEGAL IMPLICATIONS

These are discussed above in paragraph 5.

11.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

There are none arising from this report.

12.0 RELEVANT RISKS

As explained above the status quo is not legally sustainable. The Council either has to dispose of the properties to a charity or to appoint new trustees or to amend the objects of the charity as explained above.

13.0 ENGAGEMENT/CONSULTATION

There has been consultation with the Charity Commission as described above.

14.0 EQUALITY IMPLICATIONS

14.1 The amendment of the objects of the charity would remove discrimination based on gender.

14.2 Disposal of the Slatey Road premises would result in a financial windfall which the charity could then use for the benefit of young people in need across the Borough.

15.0 CARBON REDUCTION, PLANNING AND COMMUNITY SAFETY IMPLICATIONS

There are none arising directly from this report.

16.0 IMPLICATIONS FOR VOLUNTARY COMMUNITY AND FAITH GROUPS

One option is for a suitable existing charity to take over the assets of the Callister Youth Club. This would require the prior approval of the Charity Commission. Such a transfer would not however be necessary if the objects of the trust are amended to include the welfare of young people living in Wirral. The Argyle Street premises could then lawfully be used for the joint benefit of the trust and of the Council and the option of transfer to another charity reviewed following the disposal of the property in Slatey Road.

REPORT AUTHOR: Colin Hughes

Solicitor
telephone: (0151) 691 8502
email: colinhughes@wirral.gov.uk

APPENDICES

Appendix 1 - Correspondence with the Charity Commission

REFERENCE MATERIAL

Files relating to the Callister Youth Club from 1975 onwards other than documents that are exempt by reason of disclosure of information relating to individuals or the financial affairs of organisations.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

APPENDIX 1

to The Charity Commission
Legal Department
Liverpool Office
PO Box 1227
Liverpool L69 3UG

date 28 October 2015

your ref
my ref CJH/CG
service Legal and Member Services
tel 0151 691 8502 Please ask for Colin Hughes
fax 0151 691 8233
email colinhughes@wirral.gov.uk

Dear Sirs

E F CALLISTER YOUTH CLUB - CHARITY NUMBER 520017

The Council is the trustee of the E F Callister Youth Club.

I enclose the Order made by the Minister of Education on 11 February 1960 appointing the former Birkenhead Corporation to be the sole trustee for the administration of the Foundation and its endowment.

Unfortunately the precise description of the charitable trust is not known because the original trust instrument is not in the Council's possession.

You will however note from the enclosed documentation that the objects of the Trust would appear to be a social club to promote the welfare of girls and young women in Birkenhead.

There are two properties vested in the Council as trustee.

One is 19 Argyle Street, Birkenhead which is currently occupied by the Council.

The other is a piece of land in Slatey Road, Birkenhead which consist of old tennis courts but which is now vacant and has been used in the past as a gardening/environmental project.

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It has to be said that the youth club has over the years been in steady decline and is now defunct. There is no longer any active membership. The houses which used to provide the club with membership have been demolished. When the membership dwindled to eight the Council decided it would have to close.

The Slatey Road premises are vacant. As however stated above Argyle Street is occupied by the Council's Youth Service. The Council carries on activities which are within the spirit and intention of the Callister Youth Club in as much as staff provide advice, counselling and guidance to young people suffering from homelessness or alcohol/substance or other misfortunes. They promote all aspects of the welfare of young people regardless it has to be said of their gender. The Argyle Street premises are situated in a deprived area and indeed serve young people who mainly originate from Birkenhead (although not exclusively). Over the years the Council has in effect subsidised the Callister Youth Club by meeting its staffing costs and utility bills.

It has carried out at its own expense day to day repairs and also refurbished and extended the Argyle Street premises receiving a relatively small contribution from the Club's funds.

There is approximately £32,000 in the Trust's bank account. That has not changed over the years significantly since it no longer receives an income nor does it incur expenditure.

The Council is conscious that the status quo cannot be maintained.

It would like to discuss with you the possibility of establishing a scheme which would modernise the Trust so as to extend its ambit to the welfare of young people throughout the Borough of Wirral.

The Council is also conscious of the conflict of interest inherent in its role as trustee and also in its use of the premises for its statutory functions promoting the welfare of young people. Those statutory functions do not precisely fit within the terms of the objects of the old Trust.

The Council of course cannot lawfully grant itself a lease of the premises and pay to itself rental income in its capacity as trustee.

It may well be that the trusteeship should be transferred to another charitable body with similar objects if the Commission considers that the current arrangements for meeting the needs of deprived young people in Birkenhead are not in accordance within the strict terms of the Trust.

I propose to report the present situation to the Council's Standards Committee which has jurisdiction over the Council's function of charitable trustee.

cont/....

- 3 -

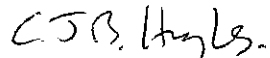
Before doing so however I would welcome any views or advice you can give on how the Council should proceed in this matter so that I can present the Committee with some concrete option which I can advise the Committee would be carefully considered by the Commission.

Council officers are willing to hold meetings with you to discuss its position in more detail.

Alternatively you could set out what the options were for the Council so that I can advise the Standards Committee accordingly when I report to them.

I look forward to hearing from you.

Yours faithfully/sincerely



Colin Hughes
Group Solicitor

Sealed 11 February 1960.

County Borough - BIRKENHEAD.

No. 60/218 L.

Foundation - E. F. CALLISTER YOUTH CLUB.



Stamp £1.

Removal and Appointment of Trustees - Vesting.

ORDER made by the Minister of Education under the Charitable Trusts Acts, 1853 to 1925, in the Matter of the Organisation in the County Borough of BIRKENHEAD known as the E. F. CALLISTER YOUTH CLUB (in this Order hereinafter referred to as "the Foundation").

THE MINISTER OF EDUCATION hereby ORDERS as follows:-

1. THE MIDLAND BANK EXECUTOR AND TRUSTEE COMPANY LIMITED,
being the present Custodian Trustee of the Foundation, and

THE MEMBERS for the time being of the present COMMITTEE OF
MANAGEMENT,

in their capacity as the present managing Trustees of the Foundation,
are hereby removed, at their own request, from being Trustees of the
Foundation, and

The Corporation consisting of

THE MAYOR, ALDERMEN AND BURGESSES OF THE COUNTY BOROUGH OF BIRKENHEAD
acting by the Council of the County Borough in its capacity as LOCAL
EDUCATIONAL AUTHORITY is hereby appointed to be the sole Trustee for the
administration of the Foundation and the endowment thereof specified in
the Schedule hereto, and all other the endowment (if any) of the Foundation.

2. The lands and hereditaments specified in the Schedule hereto
shall forthwith vest in the Trustee appointed by this Order for all the
estate and interest therein belonging to or held in trust for the Foundation.

SCHEDULE

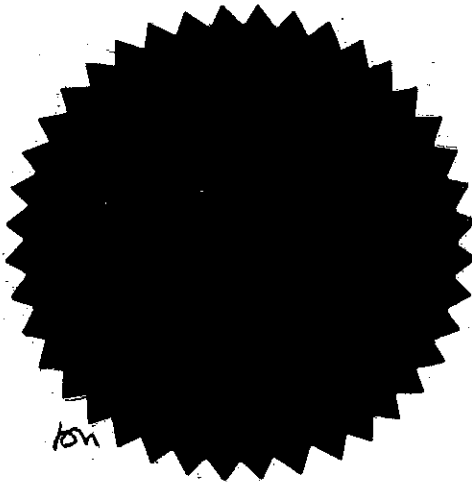
Description of Property

1. Land, having an area of 362 square yards, or thereabouts, together with the dwelling house erected thereon and known as Number 19, Argyle Street, in the County Borough of Birkenhead, being comprised in an Indenture dated 20 April, 1925, as affected by a Conveyance dated 10 October 1949 to the Midland Bank Executor and Trustee Company Limited.
2. Land, having an area of 2,750 square yards, or thereabouts, situate on the west side of Slatey Road, Claughton cum Grange, in the County Borough of Birkenhead, being comprised in a Conveyance dated 13 November 1931 to the Midland Bank Executor and Trustee Company Limited.
3. Land, having an area of 242 square yards, or thereabouts, situate on the south-west side of and fronting to John Street, in the County Borough of Birkenhead, being comprised in a Conveyance dated 30 January, 1947, as affected by a Conveyance dated 10 October 1949 to the Midland Bank Executor and Trustee Company Limited.
4. Land, having an area of 36 square yards, or thereabouts, together with the buildings erected thereon and formerly known as "The Stable", Number 27, John Street, situate on the south-west side of John Street, in the County Borough of Birkenhead, being comprised in a Conveyance dated 20 March 1947, as affected by a Conveyance dated 10 October 1949 to the Midland Bank Executor and Trustee Company Limited.

Given under the Official Seal
of the Minister of Education
this 11th day of February, 1960.

Mervyn Longhurst

Authorised under Section 3
of the Education Act, 1944



Extract from Conveyance of the 20th April, 1925, between L. S. Holmes (1) and the Trustees of the Callister Social Club for Girls (2) relating to 19 Argyle Street.

"AND WHEREAS by Instrument in writing dated the 8th day of January One thousand nine hundred and twenty three the Vendor and the said Edwin Davies as the Executors of the said Will assented to the devise therein contained to the Vendor of the hereditaments hereinafter described AND WHEREAS the Vendor has agreed with the Trustees for the sale to them for the sum of Six hundred pounds of the hereditaments hereinafter described in fee simple in possession free from incumbrances" (Please see over)

"TO HOLD unto and to the use of the Trustees in fee simple nevertheless upon the trusts and subject to the provisions hereinafter declared concerning the same AND IT IS HEREBY DECLARED AS FOLLOWS;

- (a) The Trustees (which expression herein means where the context so admits the Trustees or Trustee for the time being of these presents) shall hold the said premises hereby assured upon trust (subject as hereinafter provided) to permit the same to be used and applied for such charitable purposes in connection with the said Callister Social Club for Girls or otherwise for promoting the welfare of girls and young women in Birkenhead aforesaid as the Committee (which expression herein means where the context so admits the Committee as constituted for the time being) shall from time to time direct
- (b) The Trustees shall hold the said premises upon trust primarily to sell the same or any part thereof with full power however at their absolute discretion to postpone any such sale
- (c) The Trustees shall have in relation to the said premises or any part thereof until sale as aforesaid full power to manage the same as if the Trustees were absolute owners thereof and to demise the same for any such term or period (to take effect whether immediately or in the future) and upon any such conditions as they may think fit and to raise money by way of Mortgage thereon and so that no person dealing with the Trustees in connection with any such transaction shall be concerned to see or inquire as to the regularity thereof or the application of any moneys received or to be received by the Trustees in respect thereof and the receipt of the Trustees shall be a complete discharge for any such moneys paid to them
- (d) The Trustees shall hold all rents profits and income of the said premises and the nett proceeds of any such sale or other disposition of the said premises or any part thereof as aforesaid upon trust to apply the same (and so that capital shall be applicable as income) upon such charitable purposes in connection with the said Callister Social Club for Girls or otherwise for promoting the welfare of girls and young women in Birkenhead aforesaid as the Committee shall from time to time direct"

AND WHEREAS the Trustees have purchased the said hereditaments for the Committee of Management of the Callister Social Club for Girls which has been established in Birkenhead aforesaid for the purpose (amongst other things) of promoting the welfare of girls and young women in Birkenhead aforesaid (which Committee is hereinafter referred to as the Committee) and have been requested by the Committee by a Resolution duly passed at a Meeting of the Committee held on the seventh day of April One thousand nine hundred and twenty five to take a conveyance of the said hereditaments to themselves upon the trusts and subject to the provisions hereinafter expressed

Hughes, Colin J.

From: FC Do Not Reply (Queue) <donotreply@charitycommission.gsi.gov.uk>
Sent: 18 November 2015 15:47
To: Hughes, Colin J.
Subject: E F Callister Youth Club - 520017 Your Ref: CJH/CG CRM:0207181

Dear Mr Hughes

E F Callister Youth Club – 520017

Thank you for your letter dated 28 October 2015.

Please find attached a copy of the charity's governing document Indenture and Trust Deed dated 20 April 1925.

Our records show that the objects for the charity are 'promoting the welfare of girls and young women resident in the beneficial area'. Our records show that the area of benefit is Birkenhead.

If the trustees would like to amend these objects and do not have power of amendment in the governing document, they will need to apply for a Scheme. However, they will need to make a full case as to why the current objects are unworkable. Please see our guidance on applying for a Scheme:

<https://www.gov.uk/change-a-charity-governing-document-by-scheme>

If the current trustee wishes to appoint a management committee or another trustee they can do so by using the statutory provisions of section 280 of the Charities Act 2011. They will need to pass a resolution under section 280 and submit it to us via the online amendment form.

There appears to be some confusion over the use of the charity's property. Please note that charity property cannot be used for council purposes. The council will need to take its own legal advice on what terms the property is used on. We would also refer the council to our guidance Local Authorities as Charity Trustees:

<https://www.gov.uk/government/publications/local-authorities-as-charity-trustees>

This sets out that charitable assets must be kept separate from statutory property. It is not clear from your correspondence if the council is paying the charity for use of the property.

We hope this is of some assistance.

Yours sincerely

Debbie Fleming

Charity Commission – First Contact

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to Debbie Fleming
Charity Commission
Legal Department
Liverpool Office
PO Box 1227
Liverpool L69 3UG

date 15 April 2016

15 (CASS)

your ref
my ref CJH/CG/22816
service Legal and Member Services
tel 0151 691 8502 Please ask for Colin Hughes
fax 0151 691 8233
email colinhughes@wirral.gov.uk

Dear Mrs Fleming

EF CALLISTER YOUTH CLUB - CHARITY NUMBER 520017

I thank you for your email of 18 November 2015 in reply to my letter of 28 October 2015.

My colleagues and I have been discussing the matter and would appreciate some detailed advice from one of your staff regarding the full range of options available to the Council to resolve this matter.

Subject to your guidance, it would appear that the best way to resolve this matter could be to recommend to the Council that it transfer its trusteeship of the Callister Youth Club to another suitable charity whose objects are close to those of the Club (the welfare of young women resident in Birkenhead). This will remove any possible conflict of interest over the Council's occupation of 19 Argyle Street Birkenhead and enable the Council to enter into a lease of the premises on proper commercial terms with the new trustee (if the latter considers that is in the Club's interests).

Should this be the most suitable way forward I would however welcome your guidance on the correct legal route to achieve that objective before I report in June to the Committee of the Council which is responsible for the proper administration of the Trust. With this in mind there are a number of related queries that would benefit from the advice of the Charity Commission, namely:

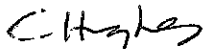
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- 1) The Council's officers have made a search of all local registered charities but cannot find one whose objects are the same as or similar to, but narrower in scope than the objects of the Club.
- 2) In these circumstances my understanding is that the Council could not transfer for nil consideration the assets of the Trust to the recipient trust without your prior permission.
- 3) If that is the case what criteria would you adopt to determine whether to give your consent?
- 4) Would the recipient have to undertake only to use the assets for the purposes of the Trust? How would the recipient charity be chosen? I have in mind criteria such as;
 - (a) Objects close to those of the Trust;
 - (b) Experience of running a charity with substantial assets/ income;
 - (c) Record of good financial management;
 - (d) Effective plans to use the assets for the welfare of young women in Birkenhead.
- 5) Is however an alternative to apply to you for a Scheme to be made which would alter the Trust's objects so that they correspond with those of the selected recipient charity?

Instead of engaging in prolonged correspondence on these issues, is it possible for one of your staff to agree to meet Council officers to discuss the above and any other options available to the Council?

I look forward to receiving your response to the above

Yours sincerely



Colin Hughes
Group Solicitor

Hughes, Colin J.

From: FC Email Team (Queue) <fcemailteam@charitycommission.gsi.gov.uk>
Sent: 11 May 2016 11:10
To: Hughes, Colin J.
Subject: 520017 - E F Callister Youth Club CRM:0380257

Dear Mr Hughes,

Thank you for your reply to my colleague's email.

I must first point out that along with all government departments, the Commission's funding from Central Government has been cut in each of the last four years. As a result, we have had to reduce the number of staff in the Commission by about half. For that reason we do not have the resources to conduct face-to-face meetings except in the most urgent circumstances.

I note that the annual income for the Club is very small. On that basis the Council, as the current trustee, could pass a resolution under section 275 of the Charities Act 2011 to amend the objects of the charity so that the club can operate over a wider geographical area and to include male beneficiaries. A scheme of the Commission will not be needed to make those amendments given the very low income of the charity.

You have mentioned the possibility of transferring the property to another charity having similar objects but cannot identify one. If the objects are changed as referred to above, that may make it simpler to find a similar charity.

There is an alternative course of action available to the Council as trustee. Rather than transferring the assets to a similar charity, the Council could pass a resolution under section 280 of the Act to appoint new trustees in its place (my colleague provided a link to the guidance on how administrative changes of that sort to governing documents can be made). Please refer to our guidance on finding new trustees at <https://www.gov.uk/government/publications/finding-new-trustees-cc30> In particular, refer to section 4.5. If the council cannot identify persons willing to act as trustees it may wish to contact one of the agencies referred to in the guidance for assistance. If new trustees (or another corporate trustee) are appointed, the council would then be able to enter into a lease of the property to them.

The council (or the new trustee body) should also consider the sale of the unused land at Slatey Street. Any proceeds of such a sale should be invested in order to provide an income for the charity.

I trust this information will be of assistance.

Yours sincerely

Tony Robinson

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