



Headlines of the proposed change to a village hall CIO

This document seeks to set out the headlines of the new CIO with an explanation of the major items.

The full constitution is a legal document (and runs to 21 pages) and by necessity spells out a lot of details which do not affect the structure or day to day operation of the CIO. We have sought in this summary to merely include the important headline issues that we feel people would wish to understand.

A copy of the full proposed constitution of the CIO is available separately.

There is a model structure set out by the Charity Commission which has various options to choose different wording in certain sections. Although the structure and wording are not completely rigid, there are elements that must be included and cannot be changed – we have some room to tailor it to our purposes, but not complete freedom to re-write it. In the end, whatever we propose needs to be approved in detail by the Charity Commission and the further we move from their standard text, the less chance we have of obtaining approval.

Objects of the CIO

The objects of the CIO are as follows:

“The objects of the CIO are the provision of a community hall for the inhabitants of Grundisburgh and its neighbourhood for the purpose of promoting cultural, educational and recreational activities, the promotion of health and wellbeing and participation in community activities.”

These differ slightly from the previous Objects in the 1962 conveyance, but are broadly the same and are drawn up to give a wider scope to the trustees in running a new hall.

Structure

The CIO consists of Members, Trustees and Associated Members. The comparison with more standard limited companies is set out in the table below:

CIO name	Limited Company equivalent	Comments
Member	Voting shareholder	Votes on Trustees and attends “General Meetings” including AGM
Trustee	Company Director	Runs the CIO and holds “Trustee Meetings”
Associated Member	Non-voting shareholder	Attends the AGM with opportunity to express views, but not vote

Members would include the current user groups (eg GADS, Bowls Club etc) plus the PC and PCC. Members would nominate Reps to represent them in any General Meetings.

Trustees would be chosen by the Members to run the CIO from day to day.

Associated Members would be the general populace of Grundisburgh and its neighbourhood and would attend any “General Meetings” and the AGM.

There is limited liability for any person or group involved in the CIO. The specific wording in the CIO is *“If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.”*

The current structure under the 1962 conveyance is not entirely dissimilar, but the edges between Member and Trustee are blurred. Current Members of the VHMC put forward reps and these then automatically become Trustees of the VHMC and have no limit to their liability for the actions and financial situation of the VHMC. In the current setup under the 1962 conveyance there is no difference between the “owners” of the VHMC (ie the Members) and those people who run the VHMC day to day – the Trustees.

Members

The initial Members would include those who have reps as trustees on the current VHMC. This includes:

- The Parish Council
- The PCC
- GADS
- The Bowls Club
- The Folk Dance Club
- The Youth Club
- The Women’s Institute (who are a non-voting guest on the VHMC)

Each Member will have a single representative to attend General Meetings on their behalf – currently most user groups have the ability to appoint two reps under the 1962 conveyance.

The CIO has the ability to invite further groups to become Members if they are regular users of the village hall.

The Members (and their reps) have no liability for the debts of the CIO if it were to fail financially.

Trustees

The Trustees run the CIO from day to day. They are effectively the board of management.

Trustees would be voted on to the CIO by the Members at the AGM for a three year term and offer themselves for re-election (if they wish to be re-elected) every 3 years.

There are a limited number of Trustees put forward at the creation of the CIO because it involves a lot of personal detail to be provided and information to be verified. The intention is to increase the number of Trustees as soon as the CIO is operational. The initially proposed trustees are:

1. Bryan Laxton
2. Stephen Cooper
3. Judith Bignell

There must be a minimum of 3 Trustees and a maximum of 10 Trustees.

Members may co-opt Trustees throughout the year, but there is a maximum of 10 Trustees at any one time and the co-opted Trustee may serve until the next AGM.

It is possible (but not recommended) that Members choose people to be their reps who then also become Trustees. The separation of Member rep and Trustee roles allows the Trustees to focus on the operation of the village hall and the Member reps to consider the longer term strategy and give direction to the Trustees.

The Trustees have no liability for the debts of the CIO if it were to fail financially.

Associate Members

The Associate Members are the beneficiaries of the operation of the village hall including the inhabitants of Grundisburgh and its neighbourhood.

The Associated Members may attend any General Meetings including the AGM. Although the Charity Commission model does not give them any formal rights to vote, the CIO allows the Chair to seek their views at the General Meetings on any issues, by a show of hands. This may then assist the Members in deciding how to vote on a specific issue.

The model offered by the Charity Commission does not easily fit with allowing a whole community to have voting powers. We have adopted the model (of two available) which gives the widest involvement of the public, but in order to have a large number of people able to formally vote, the Charity Commission require an up to date register of those people to be kept by the charity. This would require us to keep a register of all “beneficiaries” of the hall and also (with some overlap) all the residents of Grundisburgh “and its neighbourhood”. This is logistically a real issue and we have therefore opted to give the Associate Members (ie the community) the ability to make their views known by a show of hands, but this is not binding on the charity.

Powers

The current conveyance does not allow the charity to undertake a number of actions because it is an “unincorporated entity”. As such it does not exist legally in terms of owning property. A CIO is a much more normal legal entity and will be specifically allowed to:

- Borrow money
- Buy, lease, hire or otherwise acquire any property
- Sell, lease or otherwise dispose of all or any part of the property belonging to the CIO.
- Employ and remunerate such staff as are necessary for carrying out the work of the CIO.
- Deposit or invest funds

The creation of the CIO will allow the freehold of both the existing and new hall sites to be transferred to the CIO – the existing hall is held by the PC as Custodian Trustee (on behalf of the VHMC) and the new hall site is held by two trustees on behalf of the VHMC.

AGM

An AGM must be held at least every 15 months and the AGM must receive the annual statement of accounts (duly audited or examined where applicable) and the trustees’ annual report, and must elect trustees.

At every Annual General Meeting of the Members of the CIO, one-third of the charity Trustees shall retire from office and may seek re-election.

Delegation by Trustees

The charity Trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they must determine the terms and conditions on which the delegation is made. The charity trustees may at any time alter those terms and conditions, or revoke the delegation.

Participation in meetings by electronic means

The 1962 conveyance is (unsurprisingly) silent on the use of electronic means to hold meetings. It is believed that they are allowed (because they are not disallowed), but the CIO has an explicit statement allowing such meetings to take place.