

Dulwich & District U3A Minutes of the Special Executive Committee Meeting to discuss Rosebery Lodge.

Wednesday 8 May 2019 at Susan's home - 11.30 - 1.20pm

- 1. Present:** Liz Day (LD, chair), Helen Graham (HG), Joy Harris (JH), Neil Abrahams (NA - Minutes), Pamela Ruben (PR); Roman Bednarz (RB), Susan Elias (SE); Verity Mosenthal (VM),
Apologies: Angie Brown (AB), Diana McInnes (DM), Melinda Tenant-Flowers (MTF).
- 2. Purpose of meeting:** To discuss Rosebery Lodge, as The Dulwich Society's (DS) 5-year lease expires on 31 May 2019.
- 3. Background:** Liz gave a background report. She thanked Ian and Diana for all their help in providing D&D U3A with the facilities in the past and for advising us on the transition process.
LD had met with Cllr Andy Simmonds of Southwark on 3rd May together with Susan, Neil & Ian McInnes. Southwark appeared to be keen to have U3A continue using and looking after the premises. U3A's concerns were with important details in the current lease, and the short space of time to implement the change and make suitable interim arrangements.
The responsibilities and costs to U3A to be considered could include:
A 5-year lease. Cost of about £1000 per year lease. Legal costs. Internal insurance. Utilities: Electricity, water. Internal decoration. Surveyor. Alarm system.
The income generated from U3A users is approx. £500 pa (50p's). An offer from DS to house their "post van" would produce £200 pa.
The site is currently used by 14 groups, who prefer RL or are not able to meet in member's homes. The cost of hiring alternative venues for these groups is estimated to be between £3000 and £4000 pa.
We have been fortunate in having the free use of this facility for several years. The change of status may allow us to have control of our own leased premises at a reasonable cost.
- 4. The Treasurer (VM)** stated that we could afford the known costs from our annual surpluses.
Would we need to employ someone for cleaning and maintenance etc?
Would non-users of Rosebery object to paying for the facility for other members? (Probably not).
There is a need to protect Trustees from any financial liability (individual and collectively).
- 5. Charitable status (Entity).** We are currently an Unincorporated Charitable Trust. Do we need to change the status (and/or Constitution) from a Registered Charity to a C.I.O. (Charitable Incorporated Organisation)?
(See APPENDIX 1).
- 6. Agreed:** It was agreed unanimously that we wish to aim to retain the use of Rosebery Lodge if practical.
- 7. Expression of Interest:** It was agreed that LD is to advise Southwark (Cllr Simmonds) that we are interested in principle to continue using Rosebery, subject to discussion and agreement on the new Lease arrangements.
- 8. Interim arrangements:** We need to have written clarification from Southwark Council on how we can operate in the interim period after May 31 until a new lease is agreed. This should include insurance, maintenance, utilities, any other foreseeable costs and arrangements. This is urgently required.
- 9. Entity:** It was agreed to seek legal advice to explore the options for an appropriate entity for U3A if it takes on a lease. We will initially ask for voluntary legal advice (RB/ SE/ LD) then take on professional help as required.
VM has sent us this link to the Charity Commission <https://www.gov.uk/guidance/change-your-charity-structure> (See APPENDIX 2)

10. Constitution: We need to look at other model Constitutions if we change our Entity. (VM/RB/ LD ?)

11. Insurance: HG and Peter Day to investigate insurance policies suitable for the building and its users. Is there a suitable Trustee Indemnity Insurance available? See Appendix 3.

APPENDIX 1 - Charitable status: *“Leases of commercial premises are often granted to charities for their operational purposes. However if your charity is unincorporated, the liability under the lease will not be limited and may extend to their personal assets. To protect your trustees, a provision should therefore be included in the lease limiting the liability of the trustees to the extent of the assets of the charity available to satisfy it, and terminating the liability of each individual trustee if he ceases to be a trustee of the charity, whether or not the lease has been formally assigned to the continuing trustees. As such, if you are taking out a new or a first lease, it might be a good time for you to consider incorporation as a company limited by guarantee (CLG) or as a Charitable Incorporated Organisation (CIO). The latter has the advantage of being regulated only by the Charity Commission and not also by Companies House as in the case of a CLG. If a charity incorporates in either of these forms, its property (including any leasehold property) will need to be transferred or assigned to the new entity. If a lease is granted to a charity while it is unincorporated, consideration should therefore be given to what might happen if incorporation takes place, or even if new trustees are appointed without incorporation. Extract from: <https://www.morrlaw.com/are-you-a-charity-taking-on-a-new-lease-c> “*

APPENDIX 2 - Entity: *“You might want to change your charity’s structure because your existing structure doesn’t allow you to do something. For example, trustees of a growing unincorporated charity may decide to change to a corporate charity structure because the charity needs to employ staff. An unincorporated charity isn’t a legal body in its own right so it can’t enter into contracts in its own name. The trustees have to enter into contracts personally - they can be liable if something goes wrong and they’re at fault.”*
Extract from: <https://www.gov.uk/guidance/change-your-charity-structure>

APPENDIX 3 - Indemnity Insurance: *“Most charities and non-profit groups realise it’s prudent to have insurance in place even though, in most instances, it’s not required by law. When it comes to trustee indemnity; which boards need to consider buying this cover? Sometimes called ‘directors & officers insurance’, trustee indemnity insurance provides cover for decisions and omissions made by trustees which result in a claim for financial loss or bodily injury.”*
Extract from: <https://www.accessinsurance.co.uk/news/trustees-indemnity-charities-non-profits>

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