

Executive Shareholder and Trustee Committee Report

Ward(s) affected: All

Report of Director of Service Delivery

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Update on Management Arrangements for Woodbridge Road Sports Ground Charity

Executive Summary

On 1 September 2020, the Executive Shareholder and Trustee Committee authorised an application for an exemption to put in place a new management structure for the Woodbridge Road Sports Ground Charity.

The Executive Shareholder and Trustee Committee also authorised the Director for Service Delivery, in consultation with the Leader of the Council, to take all steps necessary to implement the decision of the Charity Commission.

This report provides an update on the application to the Charity Commission.

Recommendation to the Committee

That the Executive Shareholder and Trustee Committee note the contents of this report.

Reason for Recommendation:

To notify the Trustees about the progress in implementing a new management structure for the Woodbridge Road Sports Ground Charity.

1. Purpose of Report

- 1.1 This reports notes key developments related to the application to the Charity Commission.

2. Strategic Priorities

- 2.1 The Woodbridge Road Sports Ground Charity contributes to “enhancing sporting, cultural, community and recreational facilities” (Corporate Plan 2018-2023).

3. Background

- 3.1 Charitable Trustees have overall control of the Charity and are responsible for making sure it is managed in order to promote its charitable objects.
- 3.2 The Woodbridge Road Sports Ground Charity was established for the purpose of providing space for outdoor recreation, including sports activities, conferences, concerts etc at the Property, as set out in the Vesting Deed dated 9 August 1912 (the "**Deed**")
- 3.3 On 01 September 2020, the Executive Shareholder and Trustee Committee approved a new management strategy for the Woodbridge Road Sports Ground Charity which aims to promote the charitable objects whilst reducing the Council's financial contribution to the charity.
- 3.4 Under this strategy, the management of the charitable landholdings would be leased to a management company comprised of Guildford Borough Council, Guildford Cricket Club and Surrey County Cricket Club.
- 3.5 The management company is permitted to utilise the grounds to generate income in order to promote the charitable objects.
- 3.6 The Charity Commission has confirmed its approval in principle to the arrangements outlined in the report of 01 September 2020.
- 3.7 Application has now been made to the Charity Commission for an Order which authorises:
 - 3.7.1 trustees to lease the property falling within the Woodbridge Road Sports Ground Charity for a term of 75 years.
 - 3.7.2 The terms of the lease permit either party to the lease to end the arrangement in the 50th year.
 - 3.7.3 an initial yearly rent of a peppercorn for the first 5 years of the term, then at the yearly rent of £16,400 for 5 years, and thereafter subject to review every 7 years on an open market rent basis, even though Guildford Sportsground Management Company Limited is a connected person (as defined in section 118 of the Charities Act 2011);
 - 3.7.4 a provision for re-entry on non-payment of the rent or non-performance of the covenants.

4. Consultations

- 4.1 The Director of Service Delivery has consulted with stakeholders with Guildford Borough Council in order to ensure that the conditions of the legal documentation are robust and protect the charitable interests.

5. Equality and Diversity Implications

- 5.1 The effective use of the grounds will ensure that all residents of Guildford Borough Council enjoy access to charitable support and recreational grounds.

6. Financial Implications

- 6.1 The Executive and Shareholder Trustee Committee confirmed a budget allocation of £100,000.00 to support the activities of the management company.
- 6.2 The proposed structure of finances promotes a long term aim of being self-sufficient.
- 6.3 The Council as Charitable Trustee would need to fund any identified deficit. If this occurs the Council will follow financial procedure rules in dealing with it.

7. Legal Implications

- 7.1 The Legal Services Team, working together with Bevan Brittan have advised the Council at all stages of negotiations. Legal considerations have been included in this report.
- 7.2 It is confirmed that the proposals cannot take effect until such time as the Charitable Trustee obtains an exemption from the Charities Commission.

8. Human Resource Implications

- 8.1 None

9. Conclusion

- 9.1 That the Executive Shareholder and Trustee Committee note the progress of the application to the Charity Commission.

10. Background Papers

None

11. Appendices

None