

Phil Norrey
Chief Executive

To: The Chairman and Members of
the South Hams Locality
(County) Committee

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

(See below)

Your ref :
Our ref :

Date : 24 March 2016
Please ask for : Karen Strahan 01392 382264

Email: karen.strahan@devon.gov.uk

SOUTH HAMS LOCALITY (COUNTY) COMMITTEE

Friday, 1st April, 2016

A meeting of the South Hams Locality (County) Committee is to be held on the above date at 11.15 am or on the rising of the HATOC, whatever is the later, at Follaton House, South Hams District Council to consider the following matters.

P NORREY
Chief Executive

AGENDA

PART I - OPEN COMMITTEE

- 1 Apologies for absence
- 2 Items Requiring Urgent Attention
Items which in the opinion of the Chairman should be considered at the meeting as a matter of urgency.

- 3 Election of Chairman

- 4 Election of Vice-Chairman

MATTERS FOR DECISION

- 5 Mansion House Trust, Totnes (Pages 1 - 10)
Report of the County Solicitor (CS/16/18) seeking approval of the Committee for the Council to resign as Trustee of The King Edward VI College Site Foundation and appoint Totnes Community Development Society as successor Trustee, attached (Page 1).

The Business case is attached separately.

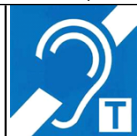
Electoral Divisions(s): Totnes Rural

PART II - ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF THE PRESS AND PUBLIC

MEMBERS ARE REQUESTED TO SIGN THE ATTENDANCE REGISTER

<p>Part II Reports</p> <p><i>Members are reminded that Part II reports contain exempt information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s).</i></p> <p><i>Members are also reminded of the need to dispose of such reports carefully and are therefore invited to return them to the Democratic Services Officer at the conclusion of the meeting for disposal.</i></p>
<p>Membership</p> <p>County Councillors</p> <p>Councillors Croad, Brazil, Gilbert, Hart, Hawkins, Hosking, Rowe and Vint</p> <p>District Council / DAPC</p> <p>Councillors J Tucker, L Ward and P Dredge</p>
<p>Declaration of Interests</p> <p>Members are reminded that they must declare any interest they may have in any item to be considered at this meeting, prior to any discussion taking place on that item.</p>
<p>Access to Information</p> <p>Any person wishing to inspect any minutes, reports or lists of background papers relating to any item on this agenda should contact Karen Strahan on 01392 382264.</p> <p>Agenda and minutes of the Committee are published on the Council's Website</p>
<p>Webcasting, Recording or Reporting of Meetings and Proceedings</p> <p>The proceedings of this meeting may be recorded for broadcasting live on the internet via the 'Democracy Centre' on the County Council's website. The whole of the meeting may be broadcast apart from any confidential items which may need to be considered in the absence of the press and public. For more information go to: http://www.devoncc.public-i.tv/core/</p> <p>In addition, anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairman. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Democratic Services Officer in attendance so that all those present may be made aware that is happening.</p> <p>Members of the public may also use Facebook and Twitter or other forms of social media to report on proceedings at this meeting. An open, publicly available Wi-Fi network (i.e. DCC) is normally available for meetings held in the Committee Suite at County Hall. For information on Wi-Fi availability at other locations, please contact the Officer identified above.</p>
<p>Emergencies</p> <p>In the event of the fire alarm sounding leave the building immediately by the nearest available exit, following the fire exit signs. If doors fail to unlock press the Green break glass next to the door. Do not stop to collect personal belongings, do not use the lifts, do not re-enter the building until told to do so.</p>
<p>Mobile Phones</p> <p>Please switch off all mobile phones before entering the Committee Room or Council Chamber</p>

If you need a copy of this Agenda and/or a Report in another format (e.g. large print, audio tape, Braille or other languages), please contact the Information Centre on 01392 380101 or email to: centre@devon.gov.uk or write to the Democratic and Scrutiny Secretariat at County Hall, Exeter, EX2 4QD.



Induction loop system available

The Mansion Trust, Totnes

Recommendation

DCC resigns as Trustee of The King Edward VI College Site Foundation and appoints Totnes Community Development Society as successor Trustee

Background

The King Edward VI College Site Foundation ('the Foundation') is comprised of King Edward VI School ('the Building') being the building more commonly known as The Mansion, Totnes. The Building includes the former Youth Centre site known as the Pulse, and the modern extension housing a day nursery and the Library. DCC does not own the Building but as Trustee of the Foundation is responsible for its management within the terms of the Foundation's governing documentation.

The use of the Building is governed by the charitable objects of the Foundation which are:

"...the premises to be used as a centre for the provision of facilities for the promotion of further education for the inhabitants of Totnes.....meetings, lectures, classes, physical exercise, and other forms of recreation and leisure – time occupation in the interests of social welfare with the object of improving the conditions of life for the said inhabitants (of Totnes)"

As Trustee, DCC has an obligation to ensure that the Building operates in accordance with these objects. To do that the Building must be managed and maintained in a condition which allows it to be used to fulfil the charitable objects.

Current Management

Until recently the Building was actively managed by Adult and Community Learning ('ACL'), a Devon County Council service. This included all day to day premises management, reception for the Building, and managing room bookings for both its own use and use by local organisations.

Over time, ACL's requirements for space have diminished significantly and the current occupying services (Devon Library Service and ACL) can no longer provide reception or any active premises management (for example to enable ad hoc hirings)

The running costs of the building (utilities, rates, cleaning, caretaking and delegated maintenance items) are met from the leases to the nursery and the café and hiring charges for ad hoc room lettings with contributions from the two occupying services making up the difference.

The property is currently managed on a temporary basis by Devon Norse, which carries out statutory compliance monitoring and delegated maintenance via its telephone help desk. However, this means there is no on site management so there is no ability to take new bookings, manage room set up for existing bookings etc. or monitor and manage safe public access. As a result DCC is only minimally discharging its responsibilities as Trustee. Despite reduced use of the Building by DCC services the dwindling external use in the form of ad-hoc

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hiring (because of a lack of active management of the Building) is putting significant pressure on DCC service budgets. This is because the shortfall in income is being made up from DCC service budgets which themselves are reducing. This is clearly not sustainable.

There is a growing backlog of maintenance requirements which will become increasingly pressing over the next few years and which represent a significant liability to Devon County Council as Trustee. In order to discharge its duty as Trustee the cost of dealing with the maintenance issues will need to be met from Devon County Council's corporate maintenance budget, as the Foundation does not have any surplus funds to cover this. As it currently stands the Foundation is not in a position to fund improvements required to the Building and will require financial assistance from Devon County Council for the foreseeable future.

In order for the Foundation to become self funding and self-sustaining the Building must be managed in a much more pro-active and engaged way to maximise its potential. For various reasons Devon County Council does not have the capacity and is not best placed to manage the Building in this way. As a result it will be necessary for Devon County Council to continue to prop-up the finances of the Foundation if DCC remains as Trustee of the Foundation.

The Future

Regardless of its level of use DCC as Trustee has a duty to continue to manage the Building and meet the charitable objects of the Foundation. DCC's reduction in use and withdrawal from active management of the building has led to the need to consider the options for the future of the Building and whether DCC is best placed to continue as Trustee.

Without consent from the Charity Commission the Building cannot be sold or used for any purpose other than that set out in the charitable objects of the Foundation. However, there has always been an active local interest and involvement in the Building. This has meant that DCC has not wished to pursue any such application to the Charity Commission, in the hope that a way forward for the continued use of the Building for its charitable purposes can be found.

Over the past 18 months DCC has been liaising with the Town through a steering committee led by Totnes Town Council. The aim of this was to establish whether or not there was any local appetite for taking over the Trusteeship of the Foundation in place of DCC. This discussion culminated in a public consultation event which confirmed that there was substantial support in Totnes for transferring the Trusteeship of the Foundation to a local body.

Totnes Community Development Society (TCDS) was 'nominated' by the Town Council to lead on this and the group has now come forward with a proposal that would allow DCC to step down as Trustee and appoint TCDS as the new Trustee. This proposal would ensure that the Foundation continues to be able to deliver its charitable objects and that the Building is actively and appropriately managed.

The proposal is dependent on DCC transferring £190,000.00 to TCDS. This funding represents the estimated cost that DCC would incur in managing, running and maintaining the Building over the next two years. TCDS intends to use these funds to make necessary immediate improvements to the Building to ensure its continued use for the purposes of the Foundation for years to come. To be clear this funding does not incur any element of

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continued liability for the Building on DCC's part. All responsibility for the Building passes to the new trustee from the date of DCC resigning as trustee and TCDS being appointed.

This proposal provides for the current DCC services (the Library Mutual and Learn Devon) to remain in occupation under formal lease agreements the terms of which have already been agreed between TCDS and the two services. Both services meet the primary objects of the trust and are also seen as important to Totnes by the community.

TCDS's business plan (attached as appendix A) demonstrates that it is very well placed to properly manage the building, to maximize its use for its charitable objectives and to enable income generation sufficient to maintain and refurbish the Building in the future. This will ensure that it becomes a vibrant facility at the heart of Totnes, fully meeting the charitable objects of the Foundation and securing the Building's long term future. It is therefore clear that appointing TCDS as the sole trustee of The King Edward VI College Site Foundation in place of Devon County Council would be in the best interests of the Foundation.

Transferring the Trusteeship to a local organisation also fulfills DCC's aspirations to support local communities to help themselves, a fundamental precept enshrined in DCC's current strategic plan 'Better Together'.

Appendices:
Annual Accounts

**THE KING EDWARD VI COLLEGE SITE FOUNDATION
(ALSO KNOWN AS 'THE MANSION')
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

Charity registration number: 307525

**THE KING EDWARD VI COLLEGE SITE FOUNDATION
(ALSO KNOWN AS 'THE MANSION')**

**REPORT AND FINANCIAL STATEMENTS
*FOR THE YEAR ENDED 31 MARCH 2015***

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2015**

I report on the accounts of the Foundation for the year ended 31 March 2015, which are set out on pages 2 and 3.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioner under section 145 (5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioner. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J L Coombs MA (Cantab), FCA
Simpkins Edwards LLP
Chartered Accountants
Michael House
Castle Street
Exeter EX4 3LQ

Date:

**THE KING EDWARD VI COLLEGE SITE FOUNDATION
(ALSO KNOWN AS 'THE MANSION')**

**RECEIPTS AND PAYMENTS ACCOUNT – UNRESTRICTED FUNDS
FOR THE YEAR ENDED 31 MARCH 2015**

	2015		2014	
	£	£	£	£
Receipts				
Room hire, External Income		39,402		27,520
Accommodation/Hire, Internal Income		80,241		72,188
		<hr/>		<hr/>
		119,643		99,708
		<hr/>		<hr/>
Payments				
Staffing	25,000		24,896	
Building Maintenance	6,866		3,631	
Utilities (Electric, Gas and Water)	17,670		17,449	
Rates	14,580		15,650	
Cleaning Services	26,586		27,290	
Refuse Collection inc Skip Hire	1,945		1,844	
Security Systems	-		506	
Materials and Consumables	-		769	
Health and Safety Equipment	-		559	
Insurance	3,954		3,466	
Professional and legal fees	1,509		726	
Telephones	421		347	
Miscellaneous	587		-	
Devon County Council Internal Recharges	20,525		6,514	
		<hr/>		<hr/>
Total payments		119,643		103,647
		<hr/>		<hr/>
Net (payments)/receipts for the year		-		(3,939)
		<hr/>		<hr/>

**THE KING EDWARD VI COLLEGE SITE FOUNDATION
(ALSO KNOWN AS 'THE MANSION')**

**STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 MARCH 2015**

	2015	2014
Assets	£	£
The Mansion, 36 Fore Street, Totnes TQ9 5EP	785,000	785,000
	<hr/>	<hr/>
Valuation based on existing use		
Liabilities		
Amount falling due within one year		
Accountancy	372	300
	<hr/>	<hr/>

The financial statements were approved by the trustees on

Signed

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the applicable Accounting Standards and Charity Commission guidance in the form of CC16 for charities preparing financial statements on a receipts and payments basis.

2. Breakdown of charity's funds

Unrestricted funds:

Unrestricted funds are those funds that can be used in accordance with the charitable objects of the Trust at the discretion of the trustees.

3. Trustee remuneration

No trustee has received remuneration or reimbursement for expenses incurred during the financial year.