

## **S121, CHARITIES ACT 2011**

### **GRAYSWOOD VILLAGE HALL AND SPORTS PAVILION**

**Under S. 121, Charities Act 2011, notice is hereby given that Grayswood Village Hall and Sports Pavilion proposes to become a Charitable Incorporated Organisation.**

**Members of the Grayswood community are invited to inspect the following proposal and submit comments or objections to the Chairman of the Village Hall Committee by Friday, 28th December 2018. This information is also available on the Village Hall Noticeboard until the end of the consultation period.**

#### **Background**

All Village Hall Management organisations are now expected to move from their 'unincorporated' status as independent charities to become 'Charitable Incorporated Organisations' (CIO). The application process for CIO status brings village hall management practices under the scrutiny of the Charities Commission, and ensures that high standards are applied, and will be maintained in future, for the benefit of the population in which the village halls are located.

#### **Constitution of Grayswood Village Hall and Sports Pavilion (Governing Document)**

It is compulsory to provide a constitution for the new CIO. This is our 'Governing Document'. Our Draft Constitution was approved by the Committee on 13<sup>th</sup> November 2018 at an Extraordinary General Meeting. A Charities Commission template, which was similar in general content to our existing Village Hall Committee governing document, was used to bring our constitution in line with Charity Commission requirements. A copy of our draft constitution can be seen at this address: [www.grayswood.org.uk](http://www.grayswood.org.uk).

The approval of the draft constitution is the touchstone for a series of actions that will move forward our application to become a charitable incorporated organisation.

#### **The application process to become a CIO**

The function of the Grayswood Village Hall and Sports Pavilion charity is to manage the hall for the benefit of the local community. All members of the local community

are invited to review and comment on any changes to the basis on which the charity operates. This public notification is made under Section 121 of the Charities Act 2011<sup>1</sup>.

As part of the application process, the unincorporated organisation needs to transfer the land to the Official Custodian† to hold until the application process is complete and CIO status granted. If and when that status is given, then the old, unincorporated charity must be closed down and a 'vesting' merger instigated with the help of a solicitor. A solicitor has been appointed to deal with the full vesting procedure, which is currently ongoing.

#### †About the Official Custodian for Charities

Charity property must be registered in someone's name. If your charity isn't a company or CIO, it isn't a 'legal entity' and can't hold title itself.

Instead of registering land in your trustees' names, you can transfer it to the Official Custodian for Charities – a free service that holds your land constantly in the same name regardless of who your trustees are. This is also known as 'vesting' land.

### What Happens Next

At the end of the consultation period, any concerns raised by members of the Grayswood village community will be addressed by the current Committee, who will reply in writing to queries by the end of January, 2019. When these are answered and recorded, an application will be made to the Charities Commission for the change of status to CIO. This involves submitting the governing principles, policies and procedures of the Charity to the Commission for scrutiny. The application may take up to 6 months to be processed. If our application is granted, we hope to be operating as a Charitable Incorporated Organisation by mid 2019.

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#### <sup>1</sup> What the Act says

*Section 121 of the Charities Act 2011 states the following:*

121 Additional restrictions where land held for stipulated purposes

- (1) Subsection (2) applies where—
  - (a) any land is held by or in trust for a charity, and
  - (b) the trusts on which it is so held stipulate that it is to be used for the purposes, or any particular purposes, of the charity.

(2) The land must not be conveyed, transferred, leased or otherwise disposed of unless the charity trustees have before the relevant time —

- (a) given public notice of the proposed disposition, inviting representations to be made to them within a time specified in the notice, which must be not less than one month from the date of the notice, and
- (b) taken into consideration any representations made to them within that time about the proposed disposition.