

## **Charities and Trusts Committee – 13 June 2017**

### **Stafford 14-19 Partnership: Revised Business Plan 2016-2020**

**Stafford 14-19 Partnership (formerly known as Stafford Collegiate) currently has its central administration based on Trust land known as the Chetwynd Centre, Newport Road, Stafford ST16 2HE.**

#### **Recommendations:**

That the new members of the Charities and Trusts Committee to:

1. note the recently approved Stafford 14-19 Partnership revised Business Plan 2016-2020 (hereinafter called the Business Plan) – copy attached.
2. note the recently approved allocation and release of funds from the charitable income, interest from the capital investment of the permanent endowment, from the Staffordshire Education Centre Charity (registered number 528604). For 2017/18 academic year this will be a sum of £84,772 as set out in the Business Plan, with a further sum of £85,000 for 2018/19 as a minimum, as a two year period is required as the new changes in A Levels, students are committing to courses that will complete at the end of a two year cycle.
3. note that the Committee approved Staffordshire County Council's County Commissioner for Skills and Employability be authorised to approve the release of funds set out in the second recommendation above.

#### **Staffordshire County Council's role as a Charity Trustee**

1. Trustees have and must accept ultimate responsibility for directing the affairs of a Charity, ensuring that it is solvent, well-run and delivers the charitable outcomes for the public benefit for which it has been set up.
2. Local Authorities are well suited to being a charity trustee as they are:
  - rooted in the local community;
  - open and transparent in their dealings;
  - highly accountable for their actions; and
  - have the high standards of public conduct embedded in the way they work.
3. Charity trustees have a duty to act solely in the best interests of the Charity and its beneficiaries with a view to furthering its charitable purposes and for no other purpose whatsoever. They must also ensure that any charitable assets are managed independently and prudently in accordance with their charitable purpose and any restrictions in the charity's governing document.

## **Background to the Stafford Education Centre Charity**

1. Staffordshire County Council (the Council) is the sole administrative trustee of the Stafford Education Centre Charity (SECC - registered number 528604) and is responsible for the general control, management and administration of the Charity. The Council discharges its obligations through the Charities and Trusts Committee.
2. SECC was governed by the Scheme dated 10 September 2010; however a revised Scheme drafted by the Charity Commission was approved by the Trustees at the Committee meeting held on the 17 November 2015. The Charity Commission gave final approval of this revised Scheme on 11 March 2016.
3. The Chetwynd Centre (built in 1860 – a grade 2 listed building in a conservation area in the centre of Stafford) is the permanent endowment of the SECC and the Council holds the land and buildings on trust status (the Council does not own the Centre).
4. Under the SECC's Scheme the Council as trustee must apply the income, expendable endowment and permanent endowment in meeting the proper costs of administering the Charity and of managing its assets (including the repair and insurance of its buildings). After payment of these costs, the Council must apply the remaining income in furthering the objects of the SECC.
5. The revised Scheme sets out the object of the Charity which is *“the promotion of education of persons between the ages of 14 and 19 years who are resident in [or being educated in] Stafford in such ways as the trustee thinks fit.”*

## **Background and Context**

1. The Charities and Trusts Committee was briefed on 13 May 2015 and Trustees visited the then Collegiate in June 2015 and next steps agreed and set out in letters issued by Officers of the Council to the Collegiate on 17 June and 17 July 2015. The Committee agreed on 16 July 2015 the preferred option of the disposal of the Chetwynd Centre through sale and the Committee agreed to:
  - a) ensure current arrangements are stabilised for the next two years providing short-term continuity as requested by the Collegiate. Including producing an annual Business Plan and budget approval process;
  - b) explore the next steps to implement the preferred option this seeks permission to amend the objectives of the SECC removing the requirement on Trustees to retain the Chetwynd Centre;

- c) instruct officers of the Council from Legal, Finance and Learning & Skills teams to work with the collaborative of 14–19 education providers in Stafford to develop and implement appropriate and timely mechanisms for the submission and approval of a Business Plan to the Committee as the new application process for the use of the available charitable funds in the future. The Business Plan must set out how the Stafford 14-19 Partnership will meet the educational objectives of the SECC and provide assurance to the Committee on how the endowment funds requested will be deployed.

## 2. Progress towards the July 2015 recommendations:

- a) Council Officers have continued to have ongoing dialogue with the Manager of the Stafford 14-19 Partnership to consider the implications of developing a wider collaborative approach across all 14-19 providers in the Stafford district. This has been reflected in the Business Plan that is being presented to the Committee. The existing partners are committed to working collaboratively to improve and develop the delivery of 14-19 education in Stafford and to broaden the Partnership to work with other educational providers to ensure the best outcomes for young people across Stafford. Collaborative working is a key thread throughout the Business Plan.
- b) A formal request was made by the Council's Legal team to the Charity Commission for a revised Scheme for SECC. The Charity Commission gave final approval of this revised Scheme on 11 March 2016. This approval allows for the disposal of the Centre by way of sale, but without requiring the Centre to be replaced with equivalent land. Following the sale of the Centre, the capital receipts will be invested in the permanent endowment of the SECC.
- c) Council Officers have supported the developments of the Stafford 14-19 Partnership including the production the Business Plan that has recently been revised and that sets out plans for the next 3 years. The Plan clearly identifies the objectives of the Partnership and it sets out the case on how the endowment funds requested will be deployed and it requests that the Committee continues to approve financial support. The Committee recently approved for the allocation and release of funds from the charitable income, interest from the capital investment of the permanent endowment, from the Staffordshire Education Centre Charity (registered number 528604). For 2017/18 academic year this will be a sum of £84,772 as set out in the Business Plan with a further sum of £85,000 for 2018/19 as a minimum, as a two year period is required as the new changes in A Levels, students are committing to courses that will complete at the end of a two year cycle.
- d) The Council Officers will continue to work with the Partnership Manager to promote good financial management and an agreed approach to managing the delivery of the Business Plan. At the Staffordshire Charities and Trust Committee held on the 23<sup>rd</sup> November 2016

colleagues from the Partnership presented a progress report against the 2016-20 Business Plan that the Committee approved in February 2016. This progress report demonstrated positive action and outcomes and that the 2016/17 financial contribution of £90,400 from the Committee was being invested in line with the approved Business Plan.

- e) The sale of the Chetwynd Centre is underway. The Centre is an old and extremely costly building to maintain, with money required to be spent on general upkeep rather than invested directly in 14-19 education in Stafford. After much consideration, and in consultation with the Stafford 14-19 Partnership, the Trustees agreed to place the building on the open market to see what interest this generates. If the outcome of this exercise is favourable and it is agreed to sell the property any proceeds from the sale will be invested to meet the objectives of the original Trust and ultimately, help more 14-19 year olds in Stafford into higher education or a rewarding career. The Stafford 14-19 Partnership will continue to deliver its collegiate model of 14-19 education, but will be based at a local school. The Chetwynd Centre will be vacated by the end of August 2017. The Trustees have communicated with everyone who currently uses the building, and will continue to do so throughout the potential sale process.

### **Equalities Implications**

1. None identified.

### **Legal Implications**

1. The Chetwynd Centre is separate from the Council's own landholdings. The Committee (in its capacity as Trustee of the SECC) is legally obliged to ensure that the SECC is managed in accordance with its objectives and to prevent any conflicts of interest between the administration of the SECC and of the Council.

### **Resource and value for Money Implications**

1. The Committee may apply the income and capital of the SECC in meeting the proper costs incurred when administering the Charity and managing its assets.

### **Risk Implications**

1. Decisions made by the Committee must be made in the capacity as Trustee only and must ensure that any decisions are made in accordance with the Charities Act 2011 and Charity Commission guidance.

### **Report Author:**

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