

Museum Service : Heritage Quest Trust

Council, item 14

Committee: Council

Date: 12 December 2006

Title: Museum Service : Heritage Quest Trust

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Agenda Item

14

Item for
decision

Summary

1. The creation of the Heritage Quest Trust, a new charitable company to be limited by guarantee requires subscribing or first members to sign up to its creation. It is proposed that the Council, along with the Museum Society be the subscribing members and therefore the Council should approve the memorandum of association and articles of association, and agree the first Directors. The intention of the Heritage Quest Trust is to build a Heritage Quest Centre, which can be used by the Museum Service to enable it to expand the provision of its services. As a Charity it will be able to raise money from additional sources, and donees can be sure that the money will only be used in the provision of the Centre.

Recommendations

2. Council approves the memorandum and articles of association for the Heritage Quest Trust subject to any minor amendments requested by the Charity Commission and Companies House in consultation with the Executive Manager Corporate Governance, agrees to be a subscribing member and approves the appointment of the three nominated Directors
3. Appoint a Councillor to be the Council's representative as Member of the Company to attend the annual general meetings and any extraordinary meetings

Background Papers

Memorandum of Association and Articles of Association

Impact

Communication/Consultation	Companies House, Charity Commission and Entrust (for registration for landfill tax grants)
Community Safety	None
Equalities	None
Finance	Museum Society to pay the registration fee for incorporation. Liability as a Member of

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	the Charitable Company, limited to £10
Human Rights	None
Legal implications	Liability of £10 as a Member of the Charitable Company
Ward-specific impacts	None
Workforce/Workplace	None

Situation

- 1 Full Council on 25 April 2006 (minute C118) approved an initial report and directed officers to pursue the creation of the Heritage Quest Trust in association with the Museum Society and other parties, and to report back to the Council with formal proposals including the memorandum of association and articles of association, and future appointment to the Board of Directors.
- 2 The Memorandum of association and the articles of association are the formal documents required to set up a charitable company and have to satisfy the requirements of both Companies House and, more importantly the Charity Commission. The Memorandum contains the basics of the organisation being set up, including name, address, Objects (the purpose), nature of the Company and liability of the Members. The Articles provide for the regulation and management of the Charitable company and are based on a standard format recommended by the Charity Commission and form the rules and responsibilities of the Charity and how it will be run. The key details relate numbers of members, directors and quorum for meetings and the rights and responsibilities of the Directors.
- 3 The Charitable Company being set up will be an entirely separate entity from the Council and will be run by the Directors in accordance with the best interests of the Charity to meet its proposed objects. The objects of the proposed charity will be: a) the advancement of education in the study of the heritage, natural history and human history of Uttlesford and surrounding area and to stimulate public interest in the area of benefit by restoring or reclaiming land which cannot otherwise be used because of previous activity on the land; b) To secure the preservation, protection, development and improvement of features of historic or public interest in the area of benefit. There has been long deliberation over the objects to ensure they reflect the intention of the Heritage Quest Trust but also meet the requirements of the Charity Commission and Entrust.
- 4 The Charity will have to run itself, appoint its own auditors, accountants and legal advisors in the same way that the Museum Society operates. It has to independent of the Local Authority in order that the Charity Commission accepts its charitable status. They do not look favourably on Local Authority controlled charities seeking to undertake tasks that are local authority functions; equally, in order to tap into funding, especially from Entrust, it is key

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that there is no local authority control. This is reflected in the documentation so that all the directors are equals, although the local authority nominated director will not be able to chair the board so there is no question of additional influence. The appointment of directors is subject to the approval of the charity's members at the annual general meeting.

- 5 In order to set up the charity there has to be founding members or subscribers, of which it is proposed that the Council as a corporate body is one, the Museum Society will also be a member. As it is a Company limited by guarantee, the Council's liability as a member is limited to the figure set in the documentation of £10.00 if the Charity fails. As a Member of the Company, the Council will have the rights set out in the documentation including nominating a director.
- 6 Once the Charity is created, the Council's involvement in the running of the Charity will be limited to its role as a Member. Any changes to the articles or memorandum will have to go to a meeting of the Members, and be voted on. However, the Council will have no day to day control over the activities of the Charity. Any dealings with the Charity will have to be at arms length and be transparent, and the Council will not be able to be involved with any decision making as a member of the Charity if the subject matter relates to dealings with the Council.
- 7 The Board will have three Directors, namely one nominated by the Council, one nominated by the Saffron Walden Museum Society and one nominated the Essex Wildlife Trust. It is proposed that the Directors will be:

Uttlesford District Council nominee	Cllr Barbara Hughes
Saffron Walden Museum Society nominee	David Laing (Hon. Treasurer)
Essex Wildlife Trust nominee	Paul Salvidge
- 8 It should be noted that the director owes their responsibility to the Charity and will be there to act in the best interests of the Charity in pursuing the Objects and not there to act as the Council's representative. Any nomination should be the individual best fitted to carry out the responsibilities of director of the charitable company.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Failure to maximise fund-raising potential so the Heritage Quest Centre cannot be provided	Medium	High	Approving the creation of the Heritage Quest Trust and thereafter registration for landfill tax grants will increase opportunities for substantial matching funding needed for application to Heritage Lottery Fund