

## Hurworth Parish Council

### Minutes of the Special Meeting

held on 7<sup>th</sup> September 2023, starting at 8:20pm

1. **Those present:** Cllr Andrew Leigh (Chair), Cllr Janine Forster, Cllr Dorothy Oughton, Cllr David Crisp, Cllr Charlotte Marie Kay, Cllr Peter Williamson, Cllr Kelvin Russell.

**Also;** Peter Allan (Parish Clerk), Cllr Lorraine Tostevin, Cllr Paul Walters

2. **Apologies for absence:** Cllr Peter Willis, Cllr Peter Foster, Lindsey Probort, Cllr Fiona Lennox.

3. The Chairman invited Peter Allan to address the meeting.

4. Mr Allan gave a short update on the status of Hurworth Community Association (HCA), which is the registered charity which operates the Hurworth Community Centre. This has been the arrangement since 1969.

HCA has its own constitution and has a Management Committee of 12 elected trustees, all are volunteers. A paid staff is employed.

The Grange Bar CIC is a separate organisation, who are a tenant of HCA, and their constitution states that all profits from their operations are donated, specifically, to HCA, being the registered charity. Hence, they do not pay Corporation Tax.

The trustees of HCA called an Extraordinary Meeting of HCA

and tabled a motion to change the status of the charity to a Charitable Incorporated Organisation and the name will alter to **Hurworth Grange CIO**. The meeting voted unanimously in favour.

The content of the constitution remains the same, with charity status.

The key difference is that the Trustees do not continue to have personal liability for and losses incurred by the charity; their liability is reduced to the amount of the Guarantee agreed in the CIO contract.

The trustees of Hurworth Grange CIO are Tony Gent, Ann Gent, John Demartino Peter Allan, Graham Wylie, Jack Binks and Tony Sayer. Mrs Lynn Wylie has been asked to join as a trustee.

5. Mr Allan explained that the HCA trustees have a succession plan, which will provide a smooth change-over from the existing older generation trustees to the next generation, who will take over and ensure the future of Hurworth Grange. The first step has been taken, and Graham Wylie has taken over as Chairman, as from 1<sup>st</sup> September 2023. He will be forming a Working Group to plan for 2024.
6. Cllr Russell expressed a hope that the new committee would look to making more money from community events rather than facilitating pigeon and rabbit shows.
7. This change of name and status requires a new lease between the HPC and Hurworth Grange CIO. This should be started as from 1<sup>st</sup> September 2023.

Mr Allan has prepared a lease, based on the previous lease and incorporated the appropriate modifications.

The lease is a seven-year lease, as per the previous one.

Cllr Russell queried why it had to be such a long period. Mr Allan explained that this assisted in obtaining grants, and also helped to get tenants, who wishes to expend capital on the rooms rented, and required stability for their investment. The Forum in Darlington was used as an example. They wished to lease the stable block, and spent £20,000 in altering it to their requirements. The deal fell through because HCA could only offer a 3-year lease.

The chairman informed the meeting that there is a 3-month termination clause in the lease, and therefore they need not be concerned that the tenure is seven years.

The chairman stated that the draft lease, presented, would need to be sent to a solicitor for checking, and a written response presented to the council, prior to it being accepted and signed by the council.

Cllr Walters stressed the importance of getting the lease checked by a lawyer.

However, it was agreed that the draft lease should be sent to Mr Luke Swinhoe, the Head of the Legal Department in DBC. **Action Clerk.**

At the recommendation of the Chairman, the meeting agreed, in principle, that the lease would be signed, once it had been validated by the lawyers, the three-month notice clause having been highlighted as important.

8. Mr Allan informed the meeting that the insurance policy, covering the Grange property as well as the liability of operating the community centre had risen substantially over the last 10 years.

There appear to be only five companies which will offer policies to community centres with property of high value. The premium is based upon the value of the property, and the insurance companies insist on valuations. Two years

ago the valuation was £5.2million and the premium is based on £1000 per million valuation. This year the valuation is £7million, and the premium submitted is £7,600. HCA is trying to negotiate a lower premium, as it is very doubtful that the property could have increased in value by £2million in two years.

The cost of insurance to cover the various sections of operating the community centre is approx. £2,500. The remainder is related directly to the increasing value of the property.

As the charity receives no benefit from the property increasing in value, it appears unfair for them to bear the additional premium. Mr Allan requested that the HCA insurance should be capped at £2,500, and HPC should bear the remainder. After a short debate, The Chairman suggested that the premium should be shared equally. This motion was Seconded by Cllr Russell and agreed unanimously. **Action; Clerk to arrange.**

The chairman closed the meeting at 8:50pm.