

LEARNING &
NETWORKING WITH
Big Local



Big Local areas that have incorporated -

- St Matthews - Leicester
- Whitley CDA - Reading
- Dartford - Kent

St Matthews Big Local Leicester

Benefits

- ▶ 8 year lease on St Matthews House from Diocese
- ▶ 25 year lease for land for Cruyff Court, MUGA and Memorial Garden
- ▶ Directly Employ staff
- ▶ Receive Charitable grants
- ▶ Keep LTO 5% fee in house



St Matthews Big Local Leicester

v

3. Object[s]

The object[s] of the CIO [is][are] – TO PROMOTE THE BENEFIT OF THE INHABITANTS IN THE COMMUNITY OF ST MATTHEWS ESTATE LEICESTER WITHOUT DISTINCTION OF GENDER, SEXUAL ORIENTATION, RACE OR POLITICS, RELIGIOUS OR OTHER OPINIONS, BY ASSOCIATING TOGETHER WITH THE SAID INHABITANTS AND THE STATUTORY AUTHORITIES, VOLUNTARY AND OTHER ORGANISATIONS IN A COMMON EFFORT TO IMPROVE FACILITIES AND SERVICE PROVISION IN THE INTERESTS OF SOCIAL WELFARE, COMMUNITY COHESION AND IMPROVING CONDITIONS AND LIFE CHANCES FOR LOCAL RESIDENTS INCLUDING BY THE PROVISION OF A COMMUNITY FACILITY

Nothing in this constitution shall authorise an application of the property of the CIO for the purposes which are not charitable in accordance with [section 7 of the Charities and Trustee Investment (Scotland) Act 2005] and [section 2 of the Charities Act (Northern Ireland) 2008]

St Matthews Big Local (Leicester)

- ▶ All Partnership members are also Trustees of the CIO
- ▶ No external trustees
- ▶ Monthly meetings



Whitley Community Development Association - Reading



Whitley CDA - Background

- ▶ At first Partnership didn't really represent local residents - 'Professional' and Agency top heavy.
- ▶ Poor turnout of local residents at Partnership meetings.
- ▶ Residents didn't feel 'equal'.
- ▶ Community development training for some residents helped them identify a way forward to get representation, identity and sustainability, beyond Big Local.
- ▶ Local Charity specialist advised on options for building a long term sustainable organisation.

Whitley CDA - Why a CIO ?

- ▶ It would ensure that our objects were wholly charitable
- ▶ The organisation would have its own legal identity, thus reducing the liability of individuals
- ▶ The legal identity would allow the organisation to enter into contracts with staff, suppliers and contractors
- ▶ Having a charity number would enable us to secure external funding
- ▶ We would be able to enter into a lease arrangement with the local authority for premises
- ▶ We could have a bank account in our own name.

Whitley CDA - Challenges and benefits

- ▶ At times it has been a steep learning curve.
- ▶ Haven't always got recruitment of staff right
- ▶ Until this past year struggled to get a dependable finance person resulting in late annual returns to the Charity Commission.
- ▶ Now employ staff
- ▶ Project funding from other sources
- ▶ Lease on wing of community centre to provide community café.
- ▶ Security from accountability to a regulatory body with local residents in the driving seat.



DBL

DARTFORD BIG LOCAL

INSPIRING OUR COMMUNITY



You can get in touch via
www.dartfordbiglocal.com

or



Dartford Big Local

- ▶ Company Limited by Guarantee
- ▶ Owns the high street shop as asset to promote local craft skills, small businesses and provide meeting spaces for community groups.
- ▶ Company board has same membership as partnership.
- ▶ Not own LTO



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and some that decided not to incorporate

- ▶ SO18 - Southampton
- ▶ Fratton - Portsmouth

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HOW
DO I...?



S018

- ▶ Discussions prompted by Local Trust encouraging plans for legacy.
- ▶ Applied for charity registration but were rejected by Charity Commission
- ▶ This caused group to rethink what they were trying to do.
- ▶ Partners unwilling to take responsibility of being a 'trustee'
- ▶ Rethought what 'legacy' means -
its what will have been achieved.



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Fratton

- ▶ Worked on a number of project ideas where incorporation would have been necessary:
 - ▶ taking over a council library,
 - ▶ buying a former hairdressers shop to set up a community hub;
 - ▶ a community development organisation funded by investment in solar energy.
- ▶ But all these ideas proved abortive.
- ▶ Now main legacy idea is to strengthen existing community association to become more sustainable.
- ▶ So partnership incorporating is no longer a priority.





Do I look like a charity?

- ▶ must be for public benefit
- (a) the prevention or relief of **poverty**
- (b) the advancement of **education**
- (c) the advancement of **religion**
- (d) the advancement of **health** or the saving of lives
- (e) the advancement of citizenship or **community development**
- (f) the advancement of the **arts, culture, heritage or science**
- (g) the advancement of **amateur sport**
- (h) the advancement of **human rights**, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity
- (i) the advancement of **environmental protection** or improvement
- (j) the relief of those in **need**, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage
- (k) the advancement of **animal welfare**
- (l) the promotion of the efficiency of the **armed forces** of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services
- (m) **any other purposes** currently recognised as charitable or which can be recognised as charitable by analogy to, or within the spirit of, purposes falling within (a) to (l) or any other purpose recognised as charitable under the law of England and Wales

charity v non-charity

	charity	non-charity
tax relief	several significant tax exemptions/discounts	few/no tax breaks; maybe discretionary rate relief
financing	more funders fund charities plus public donations – can't raise equity finance	increasing number of funder fund non-charities – no public donations
public image	the public has a concept of what a charity is	difficult to distinguish from private enterprise
regulation	restrictive regulatory requirements but considerable support	little regulatory interference but lower levels of support
payments to members of governing body	rarely salaried, payment for services if certain criteria met	provided governing documents do not prevent, such members can be paid
member benefits	any member benefit must be a by-product	few/no restrictions on member benefits

unincorporated v incorporated

	unincorporated	incorporated
liability	individuals personally liable for debts	individual liability limited to unpaid shares or guarantee
risk	unequal distribution of risk	members likely to have more equal distribution of risk
property & contract	cannot own property or enter into contracts	can own property and enter into contracts
costs	no or very low start-up and ongoing costs	start-up costs (can be quite high) and annual fees (low)
record keeping	law requires none unless it is a charity	records to be kept and filed with appropriate registry
privacy	complete privacy unless it is a charity	many details are available to the public