

***CHARITABLE TRUST COMMITTEE***  
***Agenda***

Date Wednesday 2 December 2020

Time 6.00 pm

Venue Virtual meeting - <https://www.oldham.gov.uk/livemeetings>

Notes 1. DECLARATIONS OF INTEREST- If a Member requires any advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote he/she is advised to contact Paul Entwistle or Mark Hardman in advance of the meeting.

2. CONTACT OFFICER for this Agenda is Mark Hardman, email [constitutional.services@oldham.gov.uk](mailto:constitutional.services@oldham.gov.uk)

3. PUBLIC QUESTIONS – Any member of the public wishing to ask a question at the above meeting can do so only if a written copy of the question is submitted to the Contact officer by 12 Noon on Friday, 27 November 2020.

4. FILMING – This meeting will be recorded for live and/or subsequent broadcast on the Council’s website. The whole of the meeting will be recorded, except where there are confidential or exempt items and the footage will be on our website. This activity promotes democratic engagement in accordance with section 100A(9) of the Local Government Act 1972.

Recording and reporting the Council’s meetings is subject to the law including the law of defamation, the Human Rights Act, the Data Protection Act and the law on public order offences.

MEMBERSHIP OF THE CHARITABLE TRUST COMMITTEE IS AS FOLLOWS:

Councillors F Hussain, Ali, Hamblett, Iqbal (Chair) and Stretton

Item No

1 Apologies For Absence

2 Urgent Business

Urgent business, if any, introduced by the Chair

- 3           Declarations of Interest  
  
              To Receive Declarations of Interest in any Contract or matter to be discussed at the meeting.
- 4           Public Question Time  
  
              To receive Questions from the Public, in accordance with the Council's Constitution.
- 5           Minutes of Previous Meeting (Pages 1 - 4)  
  
              The Minutes of the meeting of the Charitable Trust Committee held on 23<sup>rd</sup> September 2020 are attached for approval.
- 6           William Hague Trust - Update on the sale of the Hollies, Frederick Street, Werneth (Pages 5 - 10)



**CHARITABLE TRUST COMMITTEE**  
**23/09/2020 at 6.00 pm**

**Present:** Councillor Iqbal (Chair)  
Councillors Ali, Hamblett and Stretton (from Item 7)

Also in Attendance:

Elizabeth Cunningham-Doyle	Solicitor
Anne Ryans	Director of Finance
Sian Walter-Browne	Constitutional Services

1           **APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

2           **URGENT BUSINESS**

There were no items of urgent business received.

3           **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4           **PUBLIC QUESTION TIME**

There were no public questions received.

5           **MINUTES OF PREVIOUS MEETING**

**RESOLVED** that the minutes of the meeting held on 11<sup>th</sup> March 2020 be approved as a correct record.

6           **CLAYTON PLAYING FIELDS TRUST - ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

Consideration was given to a report of the Director of Finance which recommended approval of the Clayton Playing Fields Trust accounts to enable the Trustees to make an appropriate resolution at their Annual General Meeting to approve the accounts of the Clayton Playing Fields Trust for the year ended 31 March 2020.

The Committee were informed that the Charity Commission required all charities to hold an annual general meeting and approve the latest year's financial statement at the meeting. It was also a requirement that an annual return be sent to the Charity Commission with, amongst other things, the main financial details. The presentation of the report and approval of its recommendations would enable the Trustees to discharge this requirement.

The Committee noted the summary of the financial position of the Trust and the following key points:-

- Expenses of £39,132 were incurred which were higher than the £37,985 incurred in 2018/19.
- Income from lettings was £8,540 which was a reduction of £85 from the £8,625 received in 2018/19.
- Interest on investments was £465, an increase of £105 from 2018/19.

- The Council was required to make up the deficit which for 2019/20 was £30,127, which was an increase of £1,127 compared to 2018/19. This was funded from the Councils Asset Management budget.
- The Trust had investments of £54,000 which were managed by the Council.

**RESOLVED** that the Clayton Playing Fields Trust accounts for the year ended 31 March 2020 be approved.

7

**CONSIDERATION OF THE OBJECTS OF THE DRAFT CY-PRES SCHEME WITH REGARDS TO CHARITABLE USE OF LEES RECREATION GROUND WITHIN THE SNIPE CLOUGH AREA**

The Committee gave consideration to a report of the Strategic Director of Communities and Reform which provided them with an update on the application to the Charity Commission to broaden the objectives of the charity to Nature-based educational activities.

The Committee noted the history of the site and were informed that, further to their resolution on 11<sup>th</sup> March 2020, an application was made to the Charity Commission to broaden the objects of the charity with some proposed new objects for its consideration. The Charity Commission had declined the proposed new objects and had suggested its own new objects as set out in the draft Cy-pres scheme.

The objects proposed were: "To promote for the benefit of the inhabitants of the borough of Oldham and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants."

The Committee was informed that the recreation ground was in the centre of the land covered by the Northern Roots Project and the release of the limited objects for the use of the land and the widening of the objects proposed by the Charity Commission would enable the Northern Roots Project to make better use of the site in alignment with the overall development of the area.

**RESOLVED that:-**

1. The report be noted
2. The draft Cy-Pres Scheme be approved.

8

**SARAH ANNE LEES CHARITABLE ENDOWMENT**

Consideration was given to a report of the Strategic Director of Communities and Reform which proposed that an application be made to the Charity Commission to release the permanent endowment of the Sarah Anne Lees Charity for distribution via

means of grants to local voluntary and community organisations who could demonstrate their activity met the charitable objects.



**Oldham**  
Council

The Committee noted the Charity's capital asset, 146 Werneth Hall Road, had recently been sold with funds of £277,069.22 now held in the charitable trust account.

The objects of the Charity were to advance the education of the public by grant funding charities offering training and learning in the life skills necessary to manage financial hardship, social or economic deprivation, social exclusion or poor mental or physical health.

The Committee noted that the income from the investment of the funds at the current time was minimal and insufficient to achieve the charitable purposes.

There were more than 1,200 voluntary and community organisations in Oldham, a significant proportion of which undertook activity which would be aligned to the objects of the charity. Covid19 had presented a further challenge with regards the financial resilience and long term viability of those organisations due to reducing their ability to fundraise or generate income whilst demand for their services had increased.

The Committee was informed that more than half of organisations surveyed in Oldham during the crisis had concerns about their financial sustainability over the next 3-6 months. Although emergency funds had been made available nationally and locally, these were largely focused on crisis response, rather than maintaining vital core activities which continued to be needed more than ever.

This presented an opportune time to invest in the sector to deliver the objects of the Charity, which were clearly in line with the needs of communities at the current time. It was proposed that a mechanism was established to enable community and voluntary organisations to bid for grants, and through this bid to demonstrate how their project or activity met the charitable objectives, how the funds would be used, how the activity would be sustained and how the impact of the activity would be evaluated. A Panel would be convened to review bids and make recommendations for a final decision to award by the Charitable Trust Committee.

**RESOLVED** that an application be made to the Charity Commission to release the permanent endowment of the Sarah Anne Lees Charity for distribution via means of grants to local voluntary and community organisations who could demonstrate their activity met the charitable objects.

The meeting started at 6.00 pm and ended at 6.25 pm

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## Report to Charitable Trustee Committee

# William Hague Trust – Update on the sale of the Hollies, Frederick Street, Werneth

**Report Author:** Ben Hill – Principal Regeneration Officer  
**Contact:** [ben.hill@oldham.gov.uk](mailto:ben.hill@oldham.gov.uk)

**02 December 2020**

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### Reason for Decision

To update the committee on the sale of 'The Hollies', Frederick Street, Werneth.

### Recommendations

The Trustees are asked to:

To note the progress made with regards to the sale of The Hollies to Greenstone Construction Ltd.

To approve the extension period on condition of the offer of a further payment.

## **Update on the sale of 'The Hollies', Frederick Street, Werneth**

### **1 Background**

- 1.1 In August 2018 Charities Committee approved the sale of the Hollies to Greenstone Construction Ltd.
- 1.2 The Agreement for Sale was completed on 21 December 2018. Under the terms of this agreement Greenstone was required to pay £93,000 on exchange (21 December 2018), a further £183,000 by 21 December 2019 with the remainder (£640,500) by 21 June 2020 or within 5 days of receiving Planning Permission if that happens prior to this date. The first payment was made (£93,000) at exchange of contract on 21<sup>st</sup> December 2018.
- 1.3 In December 2019, Greenstone Construction Ltd requested an extension of time for completion of the purchase by a further 6 months to make the final payment by 21 December 2020. They stated that this was because of unforeseen issues on another site which they were developing in Royton and delays accessing finance via the Housing Investment Fund.
- 1.4 The Trustees approved the extension of time for completion provided the second payment of £183,000 was made as per the original agreement of 21 December 2018. The full payment was received prior to this date. A copy of the report can be found at appendix 1.

### **2 Current Position**

- 2.1 Greenstone recently contacted the Council requesting a further extension of 12 months until 21 December 2021 and have offered to pay a further £200,000.
- 2.2 Greenstone has stated that the reasons for this further extension of time is due to the impact which the Covid-19 pandemic has had on other developments which had to shut down in March 2020 for several months. Since recommencing on site the proprietor has said that there have had problems sourcing construction materials. Furthermore, he has contracted Covid 19 himself and has been bed ridden for two months which has further impacted his business.
- 2.3 Should this request for a further extension of time be granted, the Trustees will hold non-returnable funds of £476,000 with a further £440,500 to be paid in 12 months.

### **3 Options/Alternatives**

- 3.1 Option 1 – Continue with the sale of the land to Greenstone Construction Ltd and grant an extension of time for completion of the purchase until 21 December 2021. This option would be conditional upon Greenstone paying a further £200,000 by 21 December 2020.



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3.2 Option 2 – Do not grant an extension of time. If Greenstone do not make the final payment, then the legal contract would be terminated. Greenstone would lose £276,000.

#### 4 **Preferred Option**

4.1 Option 1 is the preferred option as Greenstone will have already paid a non-refundable amount of £276,000 which can eventually be used for the purposes of the charity. A further non-returnable deposit of £200,000 would be paid upon the granting of the extension making a total of £476,000 to be used for the purposes of the charity.

4.2 Re-marketing the site will take at least and another 6 months before a legal completion could be reached with a new purchaser and it will not necessarily provide a higher offer.

#### 5 **Consultation**

5.1 The independent trustee has been informed of this request and he is happy to support the extension of time providing the additional money is paid.

(Ben Hill)

#### 6 **Financial Implications**

6.1. There are no additional capital implications arising from this report. Should the purchaser default and the asset be remarketed, a further report will contain relevant financial implications.

(Jit Kara)

#### 7 **Legal Services Comments**

7.1 The Trustees are reminded of their fiduciary duty to act in the best interests of the charity to ensure that the objects of the charity can be furthered for the benefit of the beneficiaries. The object of the charity was to hold the land and premises on trust for the relieving of the sick or of poverty and for no other purpose whatsoever.

7.2 In June 2011 the Charity Commission approved the sale of The Hollies on the condition that the capital receipt should be distributed immediately to a charity or charities established for the relieving of the sick or of poverty.

7.2 As stated in the narrative in the body of the report, there have been unforeseen circumstances owing to the Covid 19 pandemic which have had a serious impact upon Greenstone's existing developments and business planning going forward. As such, it is for the Trustees to determine whether or not they consider that it is in the interests of the charity to grant the extension of the time requested by Greenstone to complete its purchase of the land at the Hollies.

Elizabeth Cunningham-Doyle/Rebecca Butterworth

**Report to Charitable Trustee Committee**

**William Hague Trust – Update on the sale of the Hollies, Frederick Street, Werneth**

**Report Author:** Ben Hill – Principal Regeneration Officer  
**Ext.** 5261

**18 December 2019**

**Reason for Decision**

To update the committee on the sale of 'The Hollies', Frederick Street, Werneth.

**Recommendations**

To note the progress made with regards to the sale of The Hollies to Greenstone Construction Ltd.

## **Update on the sale of 'The Hollies', Frederick Street, Werneth**

### **1 Background**

- 1.2 In August 2018 Charities Committee approved the sale of the Hollies to Greenstone Construction Ltd.
- 1.2 Progress in completing the legal agreement for sale proved to be slow and in November 2018 (Report attached at Appendix 1) the Charities Committee confirmed that they were satisfied to continue with the sale of the land to Greenstone Construction Ltd but if no substantial progress has been made by 31 December 2018, then the site to be re-marketed.
- 1.3 The Agreement for Sale was completed on 21 December 2018. Under the terms of this agreement Greenstone were required to pay £93,000 on exchange (21 December 2018), a further £183,000 by 21 December 2019 with the remainder (£640,500) by 21 June 2020 or within 5 days of receiving Planning Permission if that happens prior to this date.
- 1.4 The first payment has been made (£93,000) and Greenstone have confirmed that they are ready to make the second payment (£183,000) on time.

### **2 Current Position**

- 2.1 Greenstone Construction Ltd have requested an extension of time for a further 6 months to make the final payment by 21 December 2020. They state that this is because of unforeseen issues on another site they are developing in Royton.
- 2.2 Greenstone claim the project has stalled due to promised funding from the Greater Manchester Housing Investment Fund being delayed which has had a knock effect for their plans for The Hollies. Officers are aware that there have been delays with their application the Housing Investment Fund which have now been resolved.

### **3 Options/Alternatives**

- 3.1 Option 1 – Continue with the sale of the land to Greenstone Construction Ltd and grant an extension of time until 21 December 2020. This option would only be given if Greenstone pay the money due on 21 December 2019 on time.
- 3.2 Option 2 – Do not grant an extension of time. If Greenstone do not make the final payment, then the legal contract would be terminated. Greenstone would lose £93,000 and also the second payment of £183,000 (should this be received).

### **4 Preferred Option**

- 4.1 Option 1 is the preferred option as Greenstone will have already paid a non-refundable amount of £93,000 with a further £183,000 due imminently which can be used for the purposes of the charity.

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4.2 Re-marketing the site will take at least and another 6 months before legal completion is reached with a new purchaser and it will not necessarily provide a higher offer.

5 **Consultation**

5.1 The independent trustee is being consulted and his views will be tabled at the meeting.

(Ben Hill)

6 **Financial Implications**

6.1.1 There are no capital implications arising from this report. Should the purchaser default and the asset remarketed, a further report will contain relevant financial implications.

(Jit Kara)

7 **Legal Services Comments**

7.1 The legal comments in relation to the duties of a charitable trustee which can be found in the previous report in Appendix 1 to this report are still pertinent.

7.2 The current agreement does not allow for an extension of time and therefore the Council would need to enter into a variation to the agreement for sale with Greenstone Construction Ltd to allow for this extension.

Elizabeth Cunningham-Doyle/Rebecca Butterworth