

BRIEFING NOTE FROM LEGAL SERVICES, OLDHAM BOROUGH COUNCIL TO CHARITABLE TRUST COMMITTEE REGARDING REQUIREMENTS FOR SPENDING PERMANENT ENDOWMENT – 21 FEBRUARY 2024

CHARITY: SARAH ANNE LEES CHARITABLE TRUST

ASSET: PROCEEDS OF SALE OF DESIGNATED LAND (PERMANENT ENDOWMENT) AT 146 WERNETH HALL ROAD, WERNETH, OLDHAM (“PROPERTY”)

1. Reason for Briefing Note

At the last meeting of the Charitable Trust Committee in November 2023 it had been indicated in our Briefing Note for that meeting that a resolution is needed from the Charitable Trust Committee in the form set out in the Appendix to this note in order to seek authority from the Charity Commission on behalf of the Charitable Trust Committee for this charitable trust to spend its permanent endowment (ie, the capital monies held by it following the sale of the property), but the resolution which was set out in the Minutes did not match the required wording.

Therefore the CTC is asked to pass a resolution using the wording set out in the Appendix to this note.

APPENDIX – FORM OF RESOLUTION REQUIRED TO BE PASSED BY THE CTC

IT IS HEREBY RESOLVED that in respect of the charitable trust known as “The Sarah Anne Lees Charitable Trust” (“the Charity”) an application to the Charity Commission shall be made to seek for authority for the Charity to spend up to 100% of its capital funds (which is **permanent endowment**) via donations and/or (on application) grant funding, to appropriate bodies or organisations that provide assistance or services in keeping with the objects of the charity.

IT IS FURTHER RESOLVED that Oldham Borough Council Legal Services are instructed by the Charitable Trust Committee to apply for this authority on behalf of the Charity and to submit a Statement of Reasons substantially in the form of those set out below (with figures updated to a time closer to the submission of the Statement):

STATEMENT OF REASONS (TO ACCOMPANY APPLICATION FOR AUTHORITY TO SPEND THE WHOLE OR PART OF THE PERMANENT ENDOWMENT OF THE CHARITY)

1. The original gift of a freehold property to the Council (then the County Borough of Oldham) in 2014 stated that the property was to be used as a site for a school for the teaching of housewifery and other domestic subjects.

2. On 11 September 2019 the Charity Commission issued a Scheme (Reference Number: 761/1920 Case Number: C-469965). This authorised the sale of 146 Werneth Hall Road and confirmed the Charity's objects as follows: " 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".

3. Financial Position of the Charity's Fund

The capital monies held by the Fund remain are £ 277,069. The Charity has received interest (up to **31 March 2023**) on the capital monies held since the sale of 146 Werneth Hall Road of £**[6,383.52] [TO BE UPDATED]**

4. The endowment fund, and how circumstances have changed since the fund was set up.

Since the original gift of the freehold premises at 146 Werneth Hall Road in 1914, Society across the world and in the UK in particular has changed dramatically and there is no longer any need for any school to teach housewifery and other domestic subjects and the premises would not have been suitable for education in any event. This is why in 2019, the Charity Commission gave authority for the sale of this freehold property and for the alteration of the original objects of the Charity.

The objects of the Charity are now "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".

5. Why the Charity can achieve the objects of the Charity more effectively by spending it rather than keeping it.

The Charity (via the Charitable Trust Committee ("CTC")) believes that the Charity can assist appropriate organisations more effectively if access can be had not only to small amount of income receivable but also to the capital funds.

The CTC would like not only to make donations where it considers it appropriate to suitable organisations and in accordance the revised Charity objects but also to offer grant funding (to be made available on application by appropriate organisations). In the event of grants being made the CTC proposes to consider carefully the conditions to be attached to any grants made to ensure that the Charity's objects are respected and complied with and in what circumstances it would expect any funding to be refunded to the Charity.

6. The current market value of the fund.

As at [31 March 2023] the total value of the fund was £[283,452.74] [to be updated] held as to:

6.1 £,227,069.22 as to capital and

6.2 £[6,383.52] (to be updated) as to interest

LEGAL SERVICES, OLDHAM BOROUGH COUNCIL BRIEFING REPORT TO CHARITABLE TRUST COMMITTEE AS AT 21 FEBRUARY 2024