

REPORT PC25.113 VENUES MANAGEMENT

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Date: 11th July 2025

Venues Management Report – The Future

BACKGROUND

Laverstock and Parish Council (LFPC) has an active involvement in three community buildings within the parish. Each of these venues operates under a distinct arrangement, and together they represent a growing area of responsibility for both council oversight and staffing. This report sets out the current situation with each venue, identifies issues, outlines potential approaches, and provides an officer recommendation for council consideration.

It is worth noting that matters occurring within each venue have necessitated this report and we would like clear guidance from the council on the way forward.

1. Hampton Park Pavilion (HPP)

- **Ownership and Use:** LFPC owns the freehold of Hampton Park Pavilion. It was formerly owned by the Pearce family and licensed to Salisbury District Council and later to Wiltshire Council. It was then sold by the Pearce's to LFPC for the sum of £1. Note there were conditions to this sale around s106 monies being beneficial to the seller. However, we have never received those monies from Wiltshire Council and the 10-year usage period has now passed.
- **Current Operator:** The building is operated on licence by a charitable trust (HPP Charity Number: 1149861) for community benefit. This licence arrangement was inherited and has not been changed since the transfer. Their filed accounts (Dec 23) indicate income of £16,068 and expenditure of £12,047.
- **Rateable Value:** The building has a rateable value of £5,300 but has been exempted to £0 by a combination of charitable rates relief and Wiltshire Council's discretionary discount. If full rates were payable, the likely charge currently would be approx. £2,645, excluding any small business rates relief (if available and it may not be).
- **Lease Terms:** We established a license to occupy in Feb 2023 with no specific length. LFPC is responsible for structural and other main repairs in excess of £2,000 as well as buildings insurance. HPP is responsible for equipment provision and public liability insurance amongst other usual license terms (rates, servicing etc). Despite discussions, the trustees consistently refused to move from their Wiltshire Council licence arrangement to a full repair and renew lease. This has significant implications for long-term

maintenance liabilities and clarity of responsibility. Amplified by our planned alterations to the top floor to use it as the main Parish Council office.

- **Governance:** There are four trustees. The Chair and the Treasurer have indicated an intention to step down from these roles by the end of the current calendar year. Their fellow trustees would also, it seems, like to depart. This presents a risk to the continuity of community use and may necessitate a new governance or operational model.
- **Operational Risk:** Potential need for the Parish Council to take on greater operational responsibility if no new trustees come forward. We have a fixed deadline by which we need to have a plan in place (end of year) regardless of any other matters discussed in this paper. Ongoing exposure to repair costs (over £2,000).

2. Old Sarum Community Centre (OSCC)

- **Ownership and Use:** The Parish Council owns the freehold of the Old Sarum Community Centre.
- **Current Operator:** The building is leased, under a full repair and renew lease, to a charitable trust (OSCC Charity Number: 1161414) which manages it on a day-to-day basis. Their filed accounts (March 24) indicate income of £74,867 and expenditure of £77,284.
- **Rateable Value:** The building has a rateable value of £11,750 but has been exempted to £0 by a combination of charitable rates relief and Wiltshire Council's discretionary discount. If full rates were payable, the likely charge currently would be approx. £5,863, excluding any small business rates relief (if available and it may not be).
- **Lease Terms:** We entered a lease in April 2015 for a period of 20 years, for a peppercorn rent. It appears to be a standard lease. LFPC insures the fabric of the building. The trust is responsible for all other insurance, legal compliance, and operational responsibilities.
- **Governance:** The trust is chaired by one of our councillors and its treasurer is also a councillor. There are only four trustees, and the trust has long struggled to attract additional members.
- **Operational Risk:** The Centre Manager has recently resigned. The Clerk is minded to offer support through our Venues Officer, who may increase their contracted hours to provide temporary or ongoing management support (subject to certain conditions, including no liability transfer or budget overhead.)

3. Laverstock Village Hall (LVH)

- **Ownership and Use:** This venue is owned by the Parochial Church Council. The Parish Council leases the property on a full repair and renew lease.
- **Current Operator:** A charitable trust (LVH Charity Number 1022283) was set up, in accordance with our lease, for day-to-day management. Their filed accounts (Feb 24) indicate income of £12.19k and expenditure of £13.54k.

LFPC is a custodian trustee of this charity.¹ The PCC will need to agree the way forward with this venue including allowing a new charity, if we set one up, to be party to the new lease.

- **Rateable Value:** The building has a rateable value of £4,900 but has been exempted to £0 by a combination of charitable rates relief and Wiltshire Council's discretionary discount. If full rates were payable, the likely charge currently would be approx. £2,445, excluding any small business rates relief (if available and it may not be).
- **Lease Terms:** The LFPC lease with the PCC (March 1992) terminates on March 25th, 2027. We pay £15 per year. The PCC has the right to use the hall every Sunday morning and three whole days per year FoC. The charity is required to have six elected members plus 12 representative (of specified organisations, e.g. Scout Group, Women's Institute) members. Any decision to close the venue (early lease surrender) comes with a requirement to pass a vote to do so at a public meeting of 75% of the attendees (effectively local residents).
- **Governance:** The trust nominally has eight trustees, but our assessment suggests that only one, Frank, is currently active. Frank is approximately 80 years old and in poor health.
- **Operational Risk:** Our Venues Officer has been supporting Frank with bookings and general administration. There is serious concern about business continuity if Frank becomes unwell. It is unclear whether other trustees are in a position to step in, or even who holds access to banking and financial systems.

SUMMARY

Each of these venues presents significant operational and governance challenges. In all three cases, the current arrangements rely heavily on a small number of volunteers, with one or more venues at immediate risk of becoming non-operational due to trustee withdrawal or incapacity.

OPTIONS

The following options have been considered in response to the challenges facing the three venues. It may be prudent to vote on each option as a record of the Council's preference, as it would be useful for the Officer team to know the Council's order of preference, if the preferred option becomes unavailable. The Officer team could, in such an instance, do some initial work ahead of a second formal presentation of remaining viable options.

¹ A custodian trustee is a type of trustee who holds the legal title to trust property, but whose powers are limited to safeguarding the assets and documents related to the trust. They do not have the power to manage or administer the trust. That responsibility rests with the "managing trustees".

Note that the Appendices contain further necessary details on the options.

Option 1: The Parish Council becomes sole corporate trustee of each individual trust

- *Legal Implications:* The Council would act as corporate trustee, with legal duties to act in the best interests of each charity. Governance and reporting duties would fall to the Council. This requires a specific Conflict of Interests policy amongst other things.
- *Financial Implications:* The Council may need to fund operational costs and assume liability for any deficits or required maintenance. We will incur legal costs to at least obtain advice on this route but likely also to amend each charitable trust's papers. We will need to keep separate accounts for each charity. This will incur additional fees through our Scribe accounts package. A new mechanism will be necessary to ensure we can re-invoice the charities for LFPC support through officers or other staff as Council funds cannot be withdrawn from charity assets.
- *Administrative Implications:* Increased workload for officers and councillors. Requires charity administration and compliance management for three charities by current LFPC Officer team. Given the accounting implications, the RFO will need active support to manage the additional workload (new part time person or additional hours for him or another officer, if either were willing or able to do so).

Option 2: Establish a single new trust to manage all venues

- *Legal Implications:* A consolidated charitable body, with potential for more streamlined governance and greater trustee resilience. This requires a specific Conflict of Interests policy.
- *Financial Implications:* Set-up and administrative costs; potential funding advantages from presenting as a larger community body. We will require legal advice on the establishment of a trust and to draw up / file the necessary paperwork. Our current Professional Fees budget is £10k (£4k WorkNest, £2.5k audit & payroll, £2.5k legal, £1k contingency). We will incur further costs through Scribe for the additional accounting work. Separate accounts need to be managed. A new mechanism will be necessary to ensure we can re-invoice the charities for LFPC support through officers or other staff as Council funds cannot be withdrawn from charity assets.
- *Administrative Implications:* Requires time and legal advice to establish; would centralise staff and management under one entity. Our admin overhead is increased which will have an impact on staffing costs (possible new part time hire or additional hours for any current staff willing to work them).

Option 3: Offer the relevant ward councillors to join the existing venue trusts

- *Legal Implications:* Individual councillors would take on personal trustee duties, including liability and regulatory responsibilities. This also requires a specific Conflict of Interests policy. Though this situation already exists informally with OSCC.
- *Financial Implications:* Limited unless councillors are indemnified by the Council.
- *Administrative Implications:* Risk of conflicts of interest; councillors must act in the charity's best interest, not necessarily the Council's.

Option 4: Operate the venues directly as the Parish Council

- *Legal Implications:* The Council assumes full control and legal responsibility.
- *Financial Implications:* Increased cost exposure; full business rates likely to become payable as charitable rate relief may be lost. This will be in the region of £10,953 per annum. This is the total for all three venues combined and does not account for any small business rates relief or discretionary discount offered by Wiltshire Council; neither of which can be counted upon. Note that all three venues are currently running at best as break-even operations. So, any additional costs, such as full business rates, will be tricky to recoup. Some savings may be possible vs the current situation in places such as public liability insurance as our current policy may apply and each venue may not need its own.
- *Administrative Implications:* Direct responsibility for any staffing, bookings, maintenance, compliance, and health and safety. Though this is also present with Options 1 and 2

Option 5: Assist with trustee recruitment

- *Legal Implications:* Retains the current model but seeks to strengthen it.
- *Financial Implications:* Low cost but potentially ineffective.
- *Administrative Implications:* Officer time required; no guarantee of success, particularly given previous recruitment challenges. Likely we're just kicking the problem down the road and will need to address it soon anyway, especially with our lease for LVH terminating in Q1, 2027

Option 6: Do nothing

- *Legal Implications:* Buildings may become unused; charities could dissolve.
- *Financial Implications:* Risk of liability for vacant properties; reputational damage.
- *Administrative Implications:* Potential crisis management later; loss of community benefit.

- *Political Implications:* Strong likelihood of criticism from residents and negative press.

RECOMMENDATION

Given the high risk of operational failure across all three venues and the limited volunteer base currently available, the Officer recommendation is as follows:

Option 2: Establish a single charitable trust to manage all three venues and any future similar community assets we acquire.

I have added Appendices that outline the most common risks / requirements of both Options 2 and 3. Alongside a draft format Conflict of Interest Policy. We will need a specific one for this, should either of these options be taken. It needs to be separate from the general Conflict of Interests Policy we already have as there is a requirement for any trustees to act in the best interests of the trust ahead of any responsibilities to or by the Council itself.

This recommendation offers the greatest potential for sustainable, long-term management, allows for staff support across multiple venues, and creates a more attractive governance model. It also enables a unified strategy for community use, funding applications, and building maintenance.

A resolution is requested to:

1. Explore legal advice and costs involved in setting up a new consolidated trust. Please note that our legal services budget is already stretched (YTD spend at approx 50% of annual budget) due to the ongoing issue with River Bourne Community Farm CIC which will likely require, even if the CIC Director(s) confirm agreement to it, further payment(s) to Wilsons to draw up a Deed of Variation to formalise the discussed terms around financial transparency from the CIC. Please also note that, when the matter of establishing a charity of our own was last mentioned to the relevant partner at Wilsons (Gillian Fletcher, Jan 23), she indicated a cost level between £1,300 and £1,625 (at £325/hr) to merely review the current documentation and advise on options.
2. Engage trustees and community stakeholders to discuss the transition.
3. Identify interim measures to ensure continuity while the new property asset trust is developed. These may include councillors becoming trustees of one or more of the existing charities in case there's a gap between any departure of

a current trustee and the formation of a property asset trust of our own. I would aim for this to be a short-term solution to cover any gap period only.

Appendices to Venues Management Report

Appendix One: Council as Sole Corporate Trustee

A. Background & Precedents

A “sole corporate trustee” is a legal entity (e.g., a parish council) appointed as the sole trustee of a charitable trust. Councillors act on its behalf but are not personal trustees.

This model is common in parish-level management of village halls and recreation grounds, especially where recruitment of volunteers is difficult.

- Colehill Parish Council – Sole Trustee Guide (ACRE): <https://colehill.gov.uk/wp-content/uploads/Village-halls-run-by-parish-Councils-as-sole-trustee.pdf>
- Community Action Norfolk – Know Your Trustees:
<https://www.communityactionnorfolk.org.uk/sites/content/know-your-trustees-%E2%80%93-sole-trustees>
- Charity Commission Guidance for Local Authorities as Trustees:
<https://www.gov.uk/government/publications/local-authorities-as-charity-trustees/local-authorities-or-councils-as-trustees-of-charities-a-guide-for-councillors>

B. Legal Requirements and Implications

Area	Implication
Charity Law Duties	Council must act in the best interests of the charity, manage funds prudently, submit annual returns, and follow all regulatory guidance.
Structural Separation ('Brick-wall')	Trustee and council meetings must be separate with distinct minutes and banking arrangements.
Liability Exposure	The council is liable for any breaches of trust or negligence, not individual councillors.
Conflict of Interest	Conflicts must be clearly managed. Decisions must prioritise the charity's purpose.
Financial Management	Accounts must be kept and reported separately. Council funds cannot be

withdrawn from charity assets. How we re-invoice for our support will need careful consideration and advice.

Operational Capacity

Requires legal advice, trustee training, and administrative oversight.

C. Draft Conflict of Interest Policy

Purpose: Ensure transparent decision-making when the Council acts as trustee.

Scope: Applies to all decisions made in the trustee capacity.

Procedures:

1. Identification & declaration of interests at the beginning of trustee meetings.
2. Formal recording of conflicts.
3. Withdrawal of affected members from decisions and voting.
4. Delegation to non-conflicted trustees as required.
5. Policy reviewed annually or following changes in governance.

Example: <https://denmead-pc.gov.uk/wp-content/uploads/2023/02/Conflict-of-Interest-Policy.pdf>

Appendix Two – Councillors as Individual Trustees

A. Legal Duties & Responsibilities

Trustees must act in the charity's best interests, comply with its governing document, act prudently and with reasonable care, and comply with charity law.

NCVO – Trustee Duties: <https://www.ncvo.org.uk/help-and-guidance/governance/responsibilities-for-boards/the-legal-duties-of-trustees/>

B. Personal Liabilities and Protections

Councillors serving as trustees carry personal liability for any breach of trust, though this is rare. The Charity Commission has various recommendations around trustee indemnity insurance.

C. Conflicts & Governance

Councillors must act solely in the charity's interest when acting as a trustee. They must recuse themselves from Council decisions that may conflict with their role as trustee.

D. Administrative Burden

Serving as a trustee involves training, managing dual roles, and understanding financial and regulatory obligations. Trustees must understand who controls banking access and how decisions are made in the charity's name.