

**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEMBER FOR STRATEGIC POLICY, ECONOMIC  
DEVELOPMENT AND BUDGET**

**28 May 2015**

**Report of the Strategic Director Health and Communities**

**DERBYSHIRE UNEMPLOYED WORKERS' CENTRE  
– TRUSTEE NOMINATION**

**1. Purpose of the Report:**

To note the intention for the Derbyshire Unemployed Workers' Centre to be established as a Charitable Incorporated Organisation and to consider a request for the County Council to nominate a trustee.

**2. Information and Analysis:**

The County Council provides an annual grant to support the core costs of the Derbyshire Unemployed Workers' Centre (DUWC). In 2015/16 the grant is £40,950 and is met from the Public Health budget. The County Council has also awarded the DUWC additional grant funding of £50,000 in 2014/15 and again in 2015/16 from the Public Health budget as a response to the increasing need for specialist support for people who need help with their benefit appeals. The DUWC works closely with the County Council's Welfare Rights Service to support the most vulnerable families and individuals.

The Management Committee of the DUWC has undertaken a review of its current structure to ensure that liabilities to individuals or organisations are limited; to maximise access to grants; to review its objects; and to generally ensure that it remains fit for purpose. As a result of the review, the Management Committee is seeking to replace the current structure with a Charitable Incorporated Organisation (CIO) which will be registered with the Charity Commission. There are two types of CIO and the DUWC intends to pursue the "foundation model" where only voting members will be the trustees.

DUWC is now progressing its application and the Charity Commission requires the following to be in place:

- The charity's purpose
- The type of charity structure
- A governing document
- Name

- Recruited trustees
- Funding arrangements

The DUWC has developed its application using existing governing documentation and the Charity Commission template. The application process is likely to take a minimum of three months and DUWC recognises that the Commission may propose changes prior to approval. The DUWC is proposing 16 trustees to accommodate local authorities and individuals/other organisations and for the term of office to be four years (allowing for changes by councils).

Nominated trustees are being sought from appropriate local authorities and the trades union council. For DUWC, this will be Derbyshire County Council; Bolsover District Council; North East Derbyshire District Council; Chesterfield Borough Council; Amber Valley Administrative Area (from either the Borough Council or an appropriate Town or Parish Council) and the Chesterfield and District Trades Union Council (“the appointing bodies”).

DUWC has invited the County Council to nominate a trustee.

### **3. Legal Considerations:**

Charitable Incorporated Organisations were introduced as a legal form for charities by the Charities Act 2011 and the Charitable Incorporated Organisations (General) Regulation 2012.

Prior to January 2013 the only way for a charity’s trustees not to be liable for any debts the charity created was for the charity to also be a company, usually limited by guarantee, registered at Companies House.

Replacing the current structure of the DUWC with a CIO will mean that if the CIO is wound up there would generally be no liabilities on its members/trustees for its debts.

Part 5 of the Local Government Act 1989 does not apply to CIOs. As a result the number of councils that can be members/trustees is not limited to less than 20% which is important to DUWC as it wants any core funders to play a full role.

### **4. Other Considerations:**

In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality of opportunity, financial, environmental, health, personnel and property considerations.

**5. Background Papers:**

Letter from DUWC dated 16 April 2015

**6. Key Decision:**

No

**7. Call – In:**

Is it required that call-in be waived in respect of the decisions proposed in the report? No

**8. Officer's Recommendations:**

That the Cabinet Member:-

8.1 notes the intention of the Derbyshire Unemployed Workers Centre Management Committee to replace the current structure with a Charitable Incorporated Organisation (CIO) which will be registered with the Charity Commission;

8.2 nominates a County Council trustee to the Derbyshire Unemployed Workers' Centre Charitable Incorporated Organisation.

**David Lowe  
Strategic Director  
Health and Communities**