

North York Moors National Park Authority

22 June 2015

Progress Toward Establishing the North York Moors National Park Trust

1. Purpose of the Report

- 1.1 To update Members on progress toward setting up the North York Moors National Park Trust (the Trust) since the last report on 23 March 2015.
- 1.2 That Members approve the process of setting up the Trust as summarised in this paper.

2. Background

- 2.1 Members approved the idea of setting up a charitable trust on 22 September 2014 and on 15 December approved the recommended model for the Trust to be a Charity which is also a Company Limited by Guarantee.

- 2.2 On 23 March 2015 Members approved;

- the (revised) charitable objects of the Trust.
- the draft Articles of Association of the Trust (which include the charitable objects), having taken into account amendments of wording to articles 2 and 28.
- the proposed governance arrangements and financial input as set out in that paper (see section. 6 below).

authorised;

- the Chair, Deputy Chair and Chief Executive to appoint those first trustees who come from within the Authority (the Authority Trustees).
- Officers to instruct the Authority's solicitor to apply to Companies House to register the Trust as a Company and then the Charity Commission to register as a Charity.

3. Applications to Register the Trust

- 3.1 The process of applying to register the Trust as both a Company Limited by Guarantee and a Charity will commence as soon as the Authority Trustees are appointed. This number will comprise of the CEO plus 3 Authority Members. The Articles of Association already approved by Members will be used to register the Trust at Companies House to secure incorporation; and subsequently to register it as a charitable company with the Charity Commission.

- 3.2 As detailed in the March Authority paper there are comprehensive online applications to complete which will be submitted by the Authority's solicitor, but with answers prepared initially by Officers. In addition all trustees will be asked to sign a Trustee Declaration form and a Memorandum of Association will be submitted which details the trustees at the time of application.

4. Appointment of Trustees

- 4.1 The process of appointing the Authority Trustees has begun, with nominations (made by the person directly or otherwise) invited from the Authority on 28 May 2015. As this is in progress at the time of writing, a verbal update will be given at the meeting. The trustees will act as both the directors of the Trust (who have powers and duties to run the Trust and make day-to-day decisions) and its members (who are able to vote on major decisions and have limited liability).
- 4.2 Once the Authority Trustees have been appointed and the Trust has been registered, further trustees will need to be appointed by the Trust (up to a maximum of nine), so that the number of trustees appointed from outside of the Authority always exceeds those appointed from within the Authority by one.

5. Next Steps

- 5.1 When the Authority Trustees have been appointed, the next steps will be to;
- Apply to register the Trust with Companies House and then the Charity Commission.
 - Put in place appropriate arrangements for the administration and governance of the trust
 - Produce an outline operational plan of how the Trust can develop in terms of staffing, finance and other resources for the first 3 years of operation.
 - Hold a first meeting of trustees, possibly prior to Trust registration to discuss business planning.
 - Ensure the Trust appoints trustees from outside the Authority so that their number exceeds the number of trustees appointed from within the Authority by one.
 - Continue to produce regular updates on progress for discussion by Members.

6. Financial and Staffing Implications

- 6.1 The legal fees in respect of setting up the Trust are capped at £4,500. In addition, evidence of an initial income of not less than £5000 (from the Authority) will be needed to register the Trust with the Charity Commission. This was approved by Members on 23 March 2015. Further legal advice may be needed following registration with the Charity Commission but this is to be determined.
- 6.2 There will be the commitment of staff time of the CEO and others as delegated and appropriate to establish the Trust. Once established, a programme of work will be developed and agreed by the CEO and Directors which will require staff time to implement and be reported to Members in due course. It is highly likely that additional resources will be needed to buy in expertise in specialist areas where internal officers do not have the capacity or knowledge to undertake the work. The 2015/16 budget includes funds allocated to facilitate new ways of working from which additional resources will be allocated as and when required, but not above £20,000 without further reference to members.

7. Contribution to National Park Management Plan

- 7.1 The establishment of a Trust as approved by Members is directly supportive both in principle and practice of the National Park Management Plan objectives and delivery of National Park purposes.

8. **Legal Implications**

- 8.1 Once it is set up, the Trust will be an independent body responsible for its own legal and statutory returns and have trustees and members who (i) must act solely in the interests of the Trust and in accordance with the Articles and (ii) carry out the Trust's charitable objects. Nevertheless, the involvement of officers and members from the Authority, as outlined in the papers to the Authority on 22 September 2014 (points 6 and 9.2) and on 23 March 2015 (point 5), maximises the likelihood that the two organisations will remain mutually supportive in the long term for the benefit of the area.

9. **Recommendation**

- 9.1 That Members approve the process of setting up the Trust as summarised in this paper.

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Background papers to this Report

File ref

1. 22 September 2014 NPA
2. 15 December 2014 NPA
3. 23 March 2015 NPA; Progress Toward Establishing the North York Moors National Park Trust
4. Various Charity Commission guidance documents