

## Full Council

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<b>Report Title:</b>	<b>Charitable Incorporated Organisation</b>
<b>Meeting Date:</b>	<b>14 November 2023</b>
<b>Contact Officer:</b>	<b>Mandy Sturdy – Town Clerk</b>

### Purpose of the Report

1. To request that the council consider approving the application to the Charity Commission to create a Charitable Incorporated Organisation (CIO) to allow the delivery of projects and activities for the Town which are currently outside of the powers available to Thame Town Council.
2. Subject to approval of the creation of the CIO, to consider and agree a name for the CIO from the shortlist below.

### Action Required

3. To consider this report and attached CIO constitution and make recommendations.

### Background

4. Initially instigated through a wish to deliver a local bus service, a resolution (below) at a meeting of the Full Council on 8 August 2023 authorised work to investigate the requirements and resources needed to set up a CIO (or similar, suitable body).

#### RESOLVED that:

- i) **The project to identify a suitable charitable organisation / structure and associated costs is fully scoped.**
- ii) **That volunteer councillors with suitable skills and support from officers are identified to deliver the recommendations to Full Council.**

5. Whilst the Council has many powers, including the General Power of Competence, it does not have the power to run a bus service or commercial business / service. The aim of the CIO is to enable such community businesses, which will be run in partnership, but independent, from the council. The objectives of the charity along with the list of Powers are set out in the draft Constitution (Appendix A) to clarify what the purpose and parameters of the CIO will be.
6. Councillors with relevant experience met as a temporary Working Group (WG) with officers and identified that a CIO would be the best legal structure for this purpose.
7. A CIO is an incorporated structure designed for charities. Trustees have limited or no liability for CIO debts or liabilities but must report to the Charities Commission. There are two types of CIO:

- a. Association Model – membership organisations and hold elections.
- b. Foundation Model – run by a small group of appointed trustees.

The recommendation is that the new CIO would be a Foundation Model run by Trustees.

8. The Charity Commission provide a detailed Constitution Template for setting up a CIO; This sets out the legal requirements and highlights areas which can be modified within the legal framework.
9. The WG reviewed the Template Constitution and have set out the attached draft for Full Council consideration.
10. In addition, the WG reviewed name suggestions for the CIO and have shortlisted the following four for the council's consideration:
  - ThameCo
  - Thame Action
  - Thame Enterprise
  - Future Thame

### **Resource Appraisal**

11. Officer time to initially set up and promote the work of the CIO and in the future assist the charity as required, in all cases the detail would be bought to FC for prior approval.
12. If required, £500 for a legal check of the Constitution before applying to the Charity Commission.

### **Risk Assessment**

13. Increased workload for council staff, this will be closely monitored with the aim that the CIO would employ its own staff or contribute to the staff time given from the council.
14. The CIO is never used, it would just be disbanded in line with the constitution.

### **Legal Powers:**

- Local Government Act 1972, s.111
- General Power of Competence
- Local Government Act 2003 s.93
- Charities Act 2011, ss298-303
- Local Government Act 1972 s139 (1)

### **Recommendation:**

- i) That the council approve the application to the Charity Commission to create a CIO which will include the Clerk and two Councillors as Trustees.*
- ii) That the name of the CIO be voted on and agreed.*