



St Aidans Community Group Closure

Summary

- St Aidan's Community Group charity that runs St Aidan's Community Centre is closing as soon as possible.
- St Aidan's Community Centre will be returned to its owners the Church of England via the local Parochial Church Council (PCC)
- To be clear the building **will not close permanently and be sold off**
- **The PCC will mothball the Centre until Spring 2021 when they will review whether a limited reopen is possible** using renters who have indicated they want to return post Covid 19
- A sub group within the PCC is dealing with this
- St Aidan's Community Group trustees will continue to advise and assist this sub group wherever they can

1 Introduction

St Aidan's Community Centre is run by St Aidan's Community Group charity. We were formed in 2010 by local people and church representatives and for most of our time have been led by the incumbent Vicar and /or curate .

We do not own St Aidan's Community Centre . **The Church of England owns the building and we lease the building from them - they are our landlords** . We are a charitable Trust which means although we are constituted as a membership as far as any of us are aware the Trust has never had members Our Trust is run by a Board of Trustees . Trustees are volunteers who have taken on the particular responsibilities associated with the management of the Trust i.e. the running of the Centre

Our objects (i.e. the purpose of the charity) are

"The provision and maintenance of a Community Hall for the use of the inhabitants of the former Durham Coalfield and surrounding area without distinction of political, religious

or other opinions including use for:-

- (a) meetings, lectures, and classes
- (b) other forms of recreation and leisure – time occupations, with the object of improving the conditions of the life for the inhabitants”

In our current form as an unincorporated charitable Trust if we close and had debts then the Trustees would be personally liable for those debts.

2 Where we were

Our Annual Report for 2019 notes the following:-

“Our three-year strategic plan objectives were very ambitious and so as our Development Manager was appointed and asked local people what specific activities they wanted us to do. They gave us a clear list of priorities which meant we focused on only four objectives in our Plan. **In October 2019 the Board did a mid-plan review of how we were getting on. This showed that we have provided all of the activities that people said they wanted.** These are listed by Objective below

Activities provided currently by Objective: Improve Community Health and Wellbeing

Activities developed, maintained or hosted at the Centre:

- Feel Good Friday –
- Slimming World
- Tai Chi
- Community Choirs both male and female (Music Makers)
- Children’s and Adult Dance Classes Partner: Sunderland Empire

Build a more Cohesive and Resilient Community

Activities developed maintained or hosted at the Centre:

- Age UK Lunch
- Little Learners: Early Years structured sessions. These have been extended to include children with special needs
- Lego Club: was running fortnightly and has a strong membership but currently reduced to once a month due to

restrictions on Susan's time. Partners: Sunderland North Business Centre helped recruit volunteers and ELCAP who drove the bus to Bowes Museum for a trip to the Lego display.

- As well as regular activities we have organised special events e.g. Community clean-up which centred upon a litter pick during the summer months
- Children's Activities: we have additional activities at summer holidays and half terms .This has included a special Halloween Party

Reduce Loneliness and Isolation

Activities developed maintained or hosted at the Centre:

- Age UK Lunch- as above
- Feel-Good Friday
- Art Group

Increase Confidence in Parenting and Caring Skills

Early Years classes and school holiday family events – although less to do with parents having emphasis on support for children but support for parents can be an indirect outcome

Partners: Little Learners

Ensure Equality in Accessing and Using Information Technology

Activities developed maintained or hosted at the Centre:

This is now starting to flourish with some regular attendees and some referrals from Age UK. Tracing your family tree is well received. Partner: Springboard Digital Inclusion Officer"

In the Finance section of the report our Treasurer notes "It is however useful for this report, to summarise some of the key results that we have delivered in 2019:-

- Rental income increased by 49.3% on the last financial year receipts.
- Fundraising income increased by 128.76% on the last financial year receipts.
- New income from other charges for private celebratory events producing £145 of additional funds.
- Grant income increased by 564% over the previous financial year awards.

- An overall reduction of costs by 3.5% on the last financial year.

These figures illustrate to us that we are on track to deliver our plans to further grow the funding streams and continue the progress toward our ultimate goal, of reducing our reliance on grants for core costs to the absolute minimum.

The very significant increase in the grant income is of particular satisfaction to us as a board as it represents to us the confidence shown by funders in our charity."

Therefore, it would be entirely understandable to question seriously how on Earth this Trust has gone from an upbeat, going places concern to one at the point of closure in six months. This is how.

3 Where we are now

It is important to understand that the different factors explained below are **of equal importance and impact** which have come together in a perfect storm.

3.1 Finance

Making the building Covid 19 secure

From our own digest of Government guidance on making environments Covid 19 secure that came out in May and community centre specific guidance from much-respected organisation ACRE in June we reviewed how we would try to get the Centre reopened.

The initial premise was we would bring staff out of furlough in August and try to open in September. We even had a tentative idea to the use our VE Day event funding (see below) for a Battle of Britain 80th Anniversary related opening instead

Although we were not able to conduct a risk assessment physically, it was clear that the following was needed from a reading of the guidance

- Pre - opening deep clean
- More time between session to clean
- Cleaning between each session

- Management of Covid 19 resources - paper towels , sanitiser monitoring, social distancing arrangements etc
- A working reception – we are highly unusual if not unique for a community centre in not having a reception area. We would need to have a least a temporary one with plans and funding for a more permanent one in order to ensure safety and security.
- If we were to reopen to pre lockdown activity levels we reckoned we would need additional cleaning/caretaking time of **at least** 21 hours per week given there would need to be staff presence at all activities. We could not put the responsibility on groups to do their own cleaning of surfaces for instance. We only have 2-4 volunteers and so their assistance would be limited.
- The cleaner person would have to also be a caretaker function combined which would probably have to pay more than just cleaners' rates .

Working out the financial implications of the above necessitated a review of our future.

Financial model and implications

Our financial model has been based on maximising the percentage of core costs being covered by regular rental income .This makes us more attractive to funders to top up that income or fund project-based work that includes core costs such as Feel Good Friday. A survey of our renters that we conducted in early June showed that at that time only one had any firm intention to return at that time . People hired the Centre for different reasons and what has become clearer since then is this has determined if they were intending to return and how quickly i.e. they would be coming back at different times which would add to the uncertainty of rental income .

- Paid services – They wanted to be open by July/August and when we explained the collapse of our financial model and that we were likely to close they understandably had to move on
- Hobby or Interest groups – These count clinically vulnerable people amongst their members . Some have indicated they

would want to come back eventually but not until there is a more stable Covid 19 situation

- Special groups we have partnered to put on such as Lego Club are now impossible with the cleaning regime that would be required and digital inclusion has been a casualty of cuts elsewhere.

Reopening post lockdown would turn our financial model on its head thus:

- Reduced incomes
- Increased costs to meet Covid 19 requirements
- Increasing uncertainty over a second wave/impact of local lockdowns

This would make us much more dependent on grant funding. Most support grants are for projects or to support organisations that remained active during lockdown.

We were very fortunate to secure one community support grant from Sunderland Council for £10,000 which we were very grateful for. These grants are available to organisations such as ours that operate from community buildings and which have had to close due to the crisis and/or are losing a regular income. The grant is intended to provide financial support to cover expenditure costs i.e. staffing costs, premises costs.

Our Treasurer's budget projections however suggest this grant would be used up almost certainly by spring 2021 should the centre attempt to reopen. This would be due to the fact that government support for the largest regular cost we incur, wages, via the furlough scheme is reducing month on month and ends in November.

There is a more detailed explanation on how we manage our finances below. However, it is simply that to reopen will more than likely result in our having insufficient rental income or other grants to cover the gap. We would therefore be relying entirely on the Council grant and the very limited unrestricted funds in our bank accounts to meet all of our core costs, including the high cost of the wages.

The analysis is that these funds will be exhausted before the rental income can be recovered to a point that they make the meaningful contribution to coverage of our core costs, a situation which we actually achieved in 2019.

We would also remain especially exposed financially to any second spike or local lockdown and again this is explained in more detail below.

How our finances are managed

The charity currently has a very healthy bank balance, the problem is how that bank balance is divided between designated funds, restricted funds and unrestricted funds and it is the latter which are available to cover our core costs, repairs, wages, utilities, insurances, rent etc.

With the centre being closed and the staff furloughed there has been little pressure on these unrestricted funds. If we had reopened , that would become a different matter as these costs would rise. As outlined above, there will simply be insufficient money coming in to cover the core costs and the restricted funds are not available for these core costs except where those costs are in relation to a given project. These restricted funds make up the bulk of our current account balance, destined as they are for the projects we specified we would deliver with that grant money when applying for it.

In the projects that Susan and her team have built we have specialised in the delivery of services and projects for to the most vulnerable and elderly and building links and confidence with statutory and voluntary partners. Our Feel-Good Friday project was spectacularly successful and we were even planning on a second day's provision. People coming to Feel Good Friday represent those most significantly at risk from Covid 19 and we are not sure how we would even begin to deliver on these projects in the current climate and with the restrictions required for Covid 19 safety.

This includes even transporting them to the centre having consulted briefly with our partners ELCAP who provide the minibus.

In short, opening would start a drain on our unrestricted funds and the council support grant and they will eventually run out; it is not a matter of if, but a matter of when.

To then start using the designated funds (our savings basically) to keep going is financial suicide and in fact breaches the Charity Commission's governance on financial prudence which requires the Trustees to protect a charity's strategic reserves. Moreover, the Trustees are personally liable for any shortfall thus if the charity closes and it ends up owing money the Trustees would end up paying. This is why we were in the process of changing the charity to a Charitable Incorporated Organisation (CIO) to avoid this – see below

We are therefore at the point of no return. Currently, without any further drain on those unrestricted funds we are reasonably confident we can close the charity down with no impact to the individuals. Tim has a responsibility as Treasurer to the Trustees (and our employees) to give advice that provides the best outcome for them. It is his advice that if we choose to take a risk and stay open then no financial impact upon Trustees cannot be guaranteed.

3.2 Employees

Susan, ably assisted by Karen and our small but very willing group of volunteers, are both the heartbeat and the engine of this charity. They have gone well beyond the call of duty in initially coming with ideas for how to improve St Aidan's in the writing of the Strategic Plan two years and then making it happen. There has been a clear buzz about the place which is all down to them.

We as Trustees have to do our best for them in considering their options in this situation and we have kept them both informed as the crisis has developed. Susan has now left to take up further work with her other job and sadly Karen has been made redundant.

3.3 Trustee and volunteer capacity

Background to the Trustees

Three new trustees joined in the summer of 2019 - John Trotter and Bill Norman together in July and then Jason Park in September . At that time, we had 7 Trustees and four of these had the skill sets to do "heavy lifting " duties (see below for more on these)

Following the resignation of three of the Board of Trustees for entirely understandable reasons towards the end of 2019, we were down to four Trustees . Of these, Tim as Treasurer and Co-Chair and Bill as Co-chair have borne all the responsibility for the workload of the charity. Tim has a full-time job whilst Bill has been shielding since the beginning of March and is therefore not mobile. Of the four current Trustees, only Bill and Tim have Trustee experience and Tim is the only remaining original trustee left with historical knowledge of the charity.

The other two Trustees had particular roles to play as representatives of users of the Centre. Jason resigned on 11 August which left us with the good practice minimum – three Trustees. Moreover , John is not online and therefore his attendance at virtual meetings during the Covid 19 has been limited by his participation via speakerphone whilst others have used Zoom.

None of the Trustees are from New Herrington so it has also been a learning curve to get to know the area. Whilst we still meet Charity law technically with three Trustees - having just two people doing the work but also having all the power with no local representation is most certainly not within the **spirit** of the law.

What we intended to do to address this

- Become a Charitable Incorporated Organisation **which would then mean Trustees would then not liable for any debt** making it more attractive to be open. We had written a new constitution which was going through approval by the PCC when Covid 19 stopped play as it were. This has now been approved by the PCC though. What has become

clearer in the last three months is that we do not have the capacity to become a CIO AND deal with reopening

- Facebook call outs – the first we did was at the beginning of the year. The only person responding to this was someone who thought being a Trustee was a full-time job hence the more detailed descriptions on the website
- A specific website page to give more detail about what it would be like as a Trustee of our Trust specifically – e.g. role description, what we are like as a team etc. This was completed in February 2020
- Voluntary sector trustee matching services . We managed one of these before other lockdown duties took over – with the Community Foundation North East
- Direct approaches to individuals who we thought might be interested and to our renters to see if they or any of their members or clients could help. Whilst some renters responded they were unable to help
- Facebook (FB) calls out capitalising on Volunteers week at the beginning of June. This was a series of five posts explaining and summarising what being a Trustee would be. The first post detailing the Trustees situation is our pinned post i.e. the one you see first if you go on our FB page. All five posts were shared so over 400 people saw them. Only one responded - 6 weeks after the posts.

The following initiatives were stopped in their tracks by Covid 19

- Flyers in The Stables , Stackyard and local shops
- Sustained promotion through the following events at the community centre i.e.
 - Physical AGM which was planned for April
 - The building was 30 years old in April this year and we had plans for a 30th party that would also get us started on our next strategic plan (the first runs until March 2021) – we hoped to attract new Trustees as a part of that process
 - VE Day event for which we secured funding from Sunderland Council which we then thought of rescheduling for Battle Of Britain 80th Anniversary in mid-September
 - Summer Holiday activities with an end of summer gathering when we hoped to have announced that we were now a CIO

As comparisons –one of our partner organisations has 12 Trustees and another 16. Let us be clear however - Trustee capacity is **NOT just about numbers.** There are “heavy lifting” duties that have to be addressed. In the last six months this has included

Before Covid

- Notes of Trustees meetings
- Annual Report
- Preparation of Accounts information
- Writing a new Constitution and mapping out the process to become a Charitable Incorporated Organisation
- Monthly liaison with partners at Voluntary and Community Sector meeting
- Full update of our three-year plan
- Funding bid for a VE Day event
- Assessing the viability of installing CCTV with the current office location and Broadband entry points
- Use of Building survey to our renters to accompany a capital bid to upgrade aspects of the building e.g. toilets, analysing results and reporting to the Trustees
- Assessing the viability of an energy audit to accompany and help define capital upgrades needed for the Centre
- Developing a capital bid for the upgrade - not submitted because of the need to obtain information from potential providers who then went into lockdown
- Utilising Accessible Information Guidance Bill had developed for another project to make the centre more disability friendly
- Lone Worker policy – drafted but not finalised thanks to Covid 19
- Liaison with the PCC to renegotiate lease to reflect CIO status
- Learning WordPress and then taking over responsibility for updating the website

Covid

- Financial report to the point of lockdown to establish our baseline position
- Management of site issues when the building needed to be opened

- Liaison to ensure employees were furloughed correctly
- Liaison with funders to report our financial position at the point of lockdown
- Writing monitoring reports for funders with Susan on furlough
- Updating the Facebook page on a daily basis during the crisis
- In May pulling together elements of guidance for shops, restaurants and warehouses into a bespoke risk assessment for community centres in lieu of the official guidance which only arrived on the last day of June
- Surveying renters for their intentions to return and support required and writing these up as a report for Trustees
- Sourcing Covid 19 funding opportunities and reporting these to trustees
- Applying for Covid funding opportunities
- Digesting ACRE guidance in mid-June, working through the implications and reporting to Trustees
- Compiling , writing and distributing a Feel-Good Friday newsletter to at least help keep contact with that group

In addition to the above we were looking for new Trustees with the ability to help write funding bids given that Susan had dropped her hours to two days a week and for people with marketing skills especially in the digital world .

As of 2 July, Bill had to state his intention to leave the Board as soon as possible due to increased caring responsibilities at home.

4 What will happen now?

4.1 The Trust

If we had a full body of Trustees and some willing volunteers the Charity might just limp by in some semi mothballed state. However, the work for two active Trustees with a very limited income, some very vulnerable customers and other Covid 19 implications round the corner makes 2020 a write off. Could an organisation as small as ours survive that? It is difficult to say. We would certainly be in a greatly weakened state with a very deep recession predicted. This could present opportunities but it also is a very real threat to a fragile charity.

None of us are quitters at St Aidan's. We all saw

- The potential in the building and the people willing to support it.
- The clear need to help vulnerable people in the New Herrington area.
- How the charity could move beyond its previous limitations and become a vital service and respected player in the Coalfields care community.

We felt like we were just beginning to realise some of that potential. Unfortunately, the timing of the onset of the Covid 19 crisis could not have been worse for this charity. We have therefore no choice but to begin the process of its closure.

4.2 The handover to the PCC – What we leave behind

Centre

We will make good some repairs before handing back the Centre to the PCC as its owners

The PCC **will mothball the Centre initially but then a sub group will review whether it can be reopening ideally in Spring 2021**. St Aidan's Community Group trustees will continue to give advice on a regular basis to the PCC for as long as this is needed by PCC colleagues

We would have to hand the building back to the PCC anyway. However we would also like to do is transfer our remaining funds and other resources to the PCC. Following the PCC meeting to decide what it wanted to do on 27th August , we held a Special General Meeting on 30th August to approve the proposal to transfer and on 31st August we sought permission from the Charity Commission to transfer our funds to the PCC . We need to ask permission as it is technically out with the conditions of our current Constitution's dissolution arrangements . This may take up to 30 days to respond

If approved , the transfer of remaining funds will be governed by a document stating that they can only be used for the purposes of maintaining the Centre in a condition it to be reactivated at some point in the future. There should be enough funding to maintain the building for several months .

If local people want to start a new Trust to take over from the PCC at some then we leave behind various documents that will give them a head start

- Trustee Welcome pack that could be modified
- Trustee Role Descriptions
- Policies for the operation of the Centre available as separate documents
- Current Three-Year Plan updated 2019 available as a separate document
- CIO ready Constitution with our rationale for our decisions as to what to include and why – all a new potential Trust would have to do would be to add their names
- Disability awareness resources available as separate documents

St Aidan's Community Group Trustees

August 2020