

CIO Transition Questions and Answers

Please note these answers are brief summaries and are not a substitute for information in constitutions and other legal documents.

What is a CIO and why should GSAC transfer to GSCA CIO

What is a CIO?

A CIO is a “Charitable Incorporated Organisation” that is registered with the Charity Commission.

What are the purposes the CIO?

The objects of the CIO are very similar to the existing Community Association (GSCA):

- 1. To further or benefit the residents of the Parish of Guilden Sutton and Pipers Ash and the neighbourhood ('the area of benefit'), without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life and wellbeing of the residents; and*
- 2. To establish or secure the establishment of a village hall and to maintain or manage or co-operate with any statutory authority in the maintenance and management of such a centre for activities promoted by the charity in furtherance of the above objects.*

What are the benefits of the transfer?

Transfer to a CIO structure will protect the trustees and managers from personal liability (like a Limited Company) and so can encourage a wider range of people with fresh ideas to become trustees.

The existing constitution which is no longer applicable and will be replaced by the modern CIO.

How will this affect village hall users?

Village Hall users will continue to use the hall as they do now. Hiring Agreements and Standard Conditions are currently being reviewed for the benefit of hall users and the Community Association.

Will there be a village fete in future?

Yes, if the CIO transfer is completed so that trustees are secure from personal liability

What other things will the new CIO do?

All other activities that the current GSCA facilitates and hosts plus:

Seek ideas from the village residents for further use of the Village Hall

Seek opportunities to provide outdoor recreation facilities

Continue to support environmental and community organisations such as Hooks Wood, Village Green, Youth organisations (e.g. Scouts, Preschool) and seek to encourage new community projects.

Will the CIO give the community association new powers?

The CIO has wider powers to raise money and enter contracts for property, services and employment.

Who will run the future organisation?

Members (which can include anyone resident in the parish over age 18) will vote at annual meetings to elect new trustees to replace at least a third of the existing trustees each year. See the Constitution for other rules and more details.

How can I become a member of the new organisation?

Anyone aged 18 or over living within the Parish who is interested in furthering the CIO's purposes may apply. See Section 9 of the Constitution for details.

Membership is free but your name, address and email may be recorded on a membership register.

How will the new CIO be organised?

Trustees will be responsible for day-to-day running of the Association and report to members at general meetings, including financial statements.

The following people are the initial trustees who are setting up the CIO

- 1 John Alvey – PhD Chemist
- 2 Malcolm Clemo – Bank Manager
- 3 Andy Winstanley - Accountant
- 4 Alice Hay – Teaching Assistant
- 5 David Williams – IT Manager

Will the trustees change?

Members will be elected at Annual General meetings and a up to a third of the trustees will be re-elected or replaced each year.

Trustees may serve no more than 10 years without a break of one year.

Have other Community Associations transferred to CIOs?

Almost all new registered charities are CIOs or similar legal structure.

There are now 43 Community Associations CIOs registered with the Charity Commission

Google: "Community Association" "CIO" to see many examples similar to Guilden Sutton

About the Existing Guilden Sutton Community Association

What does GSCA do now?

- Manages the Village Hall
- Oversees the Village Fete
- Lottery to raise money for community benefit
- Hosts Sutton Six Fun Runs
- Hosts Guilden Sutton Christmas Lights
- Supports Hooks Wood and Guilden Sutton Greenspace
- Facilitates other community activities

Who are the current trustees?

Derek Hughes (Chairman), Trisha Patterson (Treasurer), Matthew Peacock (Secretary), Peter Evans, Vivian Downing, Robin Norrie, Sarah Jessop

What are the current GSCA assets?

- Village Hall (deeds held by Charity Commission)
- Village Hall furniture and fittings
- Tents, tables and chairs for village fete etc
- £162,651 cash in bank account (in last published accounts 31st Dec 2021, no significant expenditure since). These funds have been built up over many years with the intention to improve and extend the village hall.

What's wrong with the old constitution?

The old (existing) constitution is impractical and largely out of date with the way the current Community Association is run. It does not provide sufficient protection for trustees which puts off people with fresh ideas from joining the trustees. Note that the objectives and purposes of the new, CIO constitution will remain the same as the existing.

What is the CIO Transfer Process?

Who is setting up the CIO?

The CIO is being set up with advice of Kevin Janes who is Social Enterprise Manager from Cheshire Community Action and with the support of the existing Community Association.

What is the process for the transfer?

Basic Steps to transfer from GSCA to a new CIO (called "GSCA CIO")

- a. GSCA Trustees have decided to transfer to the new CIO GSCA CIO
- b. CIO trustees appointed (cannot be existing GSCA trustees)
- c. The new CIO Constitution has been agreed
- d. A public meeting to approve transfer will be held 7.30pm 28th November in the Village Hall
- e. "Due Diligence" conducted to identify contracts, liabilities and commitments that will transfer from GSCA to the new CIO
- f. The new CIO application and registration with the Charity Commission
- g. "Vesting Declaration" to formerly transfer assets and responsibilities to the new CIO and its trustees
- h. Dissolve the old GSCA

A detailed schedule is available from the GSCA Secretary by request.

How soon will this happen?

The transition implementation time is largely determined by the Charity Commission approving the CIO which can take about 40 days from submission if there are no complications.

What happens next?

The CIO submission to the Charity Commission and pre-merger vesting declaration is prepared Kevin James, who is our Cheshire Community Action advisor.

What happens if village residents don't vote for it?

The Guilden Sutton Community Association constitution will not be brought up to date and trustees and will remain unprotected from personal liability, which will put people off with fresh ideas from becoming trustees.