

REPORT TO THE CABINET

15.09.2015

Cabinet Member: Councillor Dafydd Meurig

Subject: Changing the objectives of the Llanegryn School Trust

Contact officer: Dafydd Gibbard

The decision sought / purpose of the report

i) To operate as Trustees of the Llanegryn Free School, and approve a decision to make an application to the Charities Commission to amend the objectives of the Llanegryn Free School Trust, enabling the Council to sell the site,

ii) To deviate from the usual Financial Procedure Rules, and use all receipts in order to maintain the current building standards of Ysgol Craig y Deryn in the future.

Local member's views

Councillor Louise Hughes

"Given the anguish the community here went through with the closure of our much loved village school, it is with a deep sense of sadness and regret that I have to say I have no objections to Ysgol Llanegryn being put up for sale on the open market. Our school was founded in 1659 for the education of the village children and served the village for 352 years until it was closed. It was one of the oldest free schools in Wales with a unique history and its impact on the community and beyond is still far reaching to this day; Lord Gwilym Prys Davies, the author of the Welsh Language Act, is one of the prominent ex-pupils who was lucky enough to receive his early education in Ysgol Llanegryn. Countless generations of children have taken the short walk from the village, up the hill to the little school overlooking the Dysynni Valley and many people hold fond memories of their time there.

The community council have discussed at length the future of the building and, as we already have a thriving village hall, the consensus is that the preferred option is a family buy for use as a permanent home."

Introduction

Gwynedd Council are trustees of the Llanegryn Free School Trust. Gwynedd Council therefore own the school site on Trust. This is because of the conditions imposed by the legacy of Hugh Owen, which funded the establishment of the original school at Llanegryn in 1659.

The conditions of the legacy also restricts use of the site to that of a school.

Reasons for recommending the decision

In order to enable the Council to dispose of the Llanegryn School site, the Council will be required to make an application to the Charity Commission to change the objectives of the trust. To make an application to the Charity Commission, the Council is required to identify the circumstances that make it necessary to alter the present purposes of the charity, and to consider similar use to which the trust property might now be put.

Following establishment of Ysgol Craig y Deryn in the village of Llanegryn it is no longer possible to achieve the original objectives of the trust to provide a school at the Llanegryn School site.

The intention therefore is to apply to the Charities Commission for authority to sell Llanegryn School, utilising the receipt in order to maintain the current building standards of Ysgol Craig y Deryn in the future. This will ensure further investment towards the provision of education within the community of Llanegryn, in accordance with the intent of the original legacy to keep a free school within the parish of Llanegryn forever.

Having established the circumstances making it necessary to amend the objectives of the Trust, and similar use to which the proceeds might be put, the next steps which need to be taken are as follows:

- To consult with the stakeholders. In this case the Council has corresponded with the Local Member and Community Council.

- *To pass a resolution at a meeting of the Trustees to formally apply for the scheme.*
- *Once an application to change the objectives has been made, to consider a draft scheme prepared by the Charity Commission.*
- *To arrange publication of a notice of the Charity Commission's intention to make a scheme (if required).*

A decision is therefore required by the Council as trustees to formally apply to the Charity Commission for permission to change the objectives of the Trust, before proceeding to dispose of the site on the open market.

In order to reflect the intent of the original bequest, any capital receipt will have to be allocated towards educational purposes in the Llanegryn area. The proceeds of sale will be a permanent endowment meaning that only the income obtained from the proceeds will be available to further the objects of the charity. In this case the Council wish to apply to the Charity Commission for permission to spend the proceeds in addition to the income as and when required, in order to allow the charity to carry out its new purpose more effectively, in accordance with the spirit of the original bequest.

Relevant considerations

The site is surplus to the Council's requirements. To retain possession of the site would result in wasteful expenditure on a property that does not contribute towards providing services.

Next steps and timetable

To make an application to the Charities Commission to amend the objectives of the trust, prior to selling the site on the open market.

Views of the statutory officers

Chief Executive:

I recommend the intention to release resources for the benefit of education in the trust area.

Monitoring Officer:

This report deals with the formal requirements of the Charities Commission and has been subject to legal input.

Head of Finance Department:

"In normal circumstances, 20% of capital receipts go to the department that are disposing of the asset, with the remainder going to a corporate fund. However, I am convinced that the bequest that is in place makes this situation exceptional, and in that respect it would be appropriate for the Cabinet to decide to deviate from the usual arrangements so that all capital receipts from disposing of the old school at Llanegryn are earmarked for educational use in that area, in accordance with the bequest. In practice, this will mean investing the receipt at Ysgol Craig y Deryn. I can confirm that the income from the disposal of site of the former Ysgol Llanegryn has not already been committed to another scheme.

In the circumstances, therefore, to ensure that our resources are deployed as effectively and efficiently as possible, I support the decision to request permission from the Charity Commission to dispose of this property, and to use the capital receipts in the manner described."

Appendices

None