



DEVON & EXETER I N S T I T U T I O N

Change to a Charitable Incorporated Organisation

Your trustees are finalising the details of a proposal to change our charitable status from an Association to a Charitable Incorporated Organisation (CIO).

We will be putting this resolution to members at the AGM on 27th October 2016, and I urge as many of you as possible to attend the meeting. The changes we propose may raise questions and you may wish to find out more.

I encourage you to email the DEI Office, write directly to me care of the DEI or attend one of the weekly “surgeries” which we are organising during the month of October.

I hope the following may provide answers to some of the most likely questions.

John Manley-Tucker
Chairman

1. Why do we want to change the legal status of the DEI?

The trustees have been advised, particularly by the Institution’s Auditor, that the additional activities and responsibilities which we have taken on in consequence of our success in gaining public funding make it desirable to limit the potential liability of our trustees. As an unincorporated charity, which the DEI is at the moment, we are not a legal body in our own right, so the trustees have to enter into contracts personally, and can be personally liable if something goes wrong. This makes the role of trustee more onerous than necessary and can deter potential trustees from coming forward.

2. What is a Charitable Incorporated Organisation?

A CIO is a type of legal structure for charities. It was introduced in 2012 and is specifically designed for small to mid-sized charities. A CIO is a legal entity in its own right and can therefore enter into contracts and take on liabilities in its own name. This means that trustees do not have to enter contracts in their personal capacity which, in turn, limits their potential for personal liability. A CIO has to file its annual return only to the Charity Commission and not to Companies House, as would be the case with a Charitable Company.

3. How would this change happen?

Provided that the change is approved by two thirds of those present and voting at the AGM, the trustees will submit the new Constitution to the Charity Commission and apply for a new CIO to be registered. The trustees will then enter a legal agreement to transfer the assets and liabilities of the present charity to the new one. The new CIO will retain the name of The Devon and Exeter Institution.

4. Will there be a new Constitution?

Yes, although our charitable objects will remain the same. The trustees have now completed the preparation of this. You can find a copy on the Institution's website <http://devonandexeterinstitution.org/>, or read one of the paper copies which will be available in the Institution throughout September and October. If you are unable to access the website or to visit the Institution, please ring the office and ask for a paper copy to be sent to you.

5. Why does the new Constitution look different from the old?

The proposed Constitution is based on a model constitution for a CIO which the Charity Commission advises charities to adopt. You can see the model and their advice on the Charity Commission website :

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/390171/FoundationModelConstitution.pdf

6. Where can I find the resolutions to be presented at the AGM?

These will be found in the AGM agenda which will be sent out towards the end of September with the Autumn Newsletter, and also on our website.

7. How long will it take to set up the new CIO?

We will need time to liaise with the Charity Commission and amend our proposed Constitution if necessary to meet their requirements. The transfer of assets will include all contracts, including those with employees, and could take a few months. We will also need to set up new bank accounts.

8. What will happen to my membership?

Members of the current charity will automatically become members of the new one and your direct debit, if you have one, will be transferred. We will write to let you know when this is happening, probably in the Spring mailing.

9. What will happen to the “old” charity?

For the time being the old charity will remain in existence as a dormant charity. This is to avoid complications with legacies which may have been made specifically in favour of the old charity. In due time it should be possible to be enrolled on the Charity Commission’s Register of Mergers, and subsequently to dissolve the old charity.

10. My question has not been answered here. How do I find out more or tell you what I think?

The trustees will be pleased to hear from members, and will endeavour to answer any questions that you may wish to put. You can contact the trustees in the following ways:

By email to office@devonandexeterinstitution.org. Please put “New Constitution” in the subject line.

By letter to The Devon and Exeter Institution, 7 Cathedral Close, Exeter EX1 1EZ. Please write “New Constitution” on the envelope.

By attending one of the weekly “surgeries” in the Reading Room during October. The dates of these will be published in the Autumn Newsletter and will be on the website.

The DEI seems to be changing. Why?

After a great deal of consultation and discussion, your trustees have embarked on a programme of development which will enable the DEI to continue to function and thrive in the twenty-first century. There are several factors which are driving this initiative:

The need for funding to repair the structure and fabric of our building and to guarantee the long-term future of the Institution.

The need to preserve and conserve our unique and valuable collection of books and newspapers, many of which have been damaged or become unstable over the years.

The necessity for the Institution to appoint and in due course to fund the salary of its own Librarian, whose remuneration currently comes from a grant making trust. This follows the loss of the University appointed and funded Librarian.

The need for an increased number of volunteers to assist with the running of the Library, preserve the book stock and support educational activities.

The requirement to open the Institution to a wider public, including teachers, school pupils and local groups, in order to make good our status as an educational charity and our claim to public funds.

The need to fund the employment of staff to oversee these activities after the present funding of the post by the Heritage Lottery Fund comes to an end.

The necessity to bring up to date our financial management, with particular regard to on-line banking and digitised accounting systems.

The need to regularise the employment contracts of all staff.

The need to create a policy framework to direct and inform all aspects of the Institution's activities For example risk management, health and safety, data protection, library stock policy, code of conduct, financial regulations, safeguarding, and volunteering..

As the success and activity of our charity increase, so do the risks.

For this reason the trustees strongly recommend to the membership the adoption of incorporated charity status.

We continue to be absolutely determined to maintain the essential character of our beloved Institution, and to preserve intact the time-honoured rights and privileges of its members.