

6. COUNCIL CHARITABLE LAND – ANNUAL OPERATIONAL REPORT

1st April 2017 to 31st March 2018

INTRODUCTION

- 1.1 The Council being a trust corporation, by virtue of the Local Government Acts, is the Trustee of the Charities mentioned in Section 2 of this report.
- 1.2 The trustees of all registered charities in England and Wales are required to prepare an annual report regarding the activities of the charity in the preceding financial year.
- 1.3 The Council as Trustee comprises all the Members of the Council, who are the managing trustees of the Charities mentioned in Section 2 of this report. The names of Members of the Council who have served as a charity trustee during the period of this report (1 April 2017 to 31 March 2018) are set out in the table below:

Councillor Bruce Forbes
Councillor Phillip Coote

Jonathan Ash-Edwards	Steven Hansford	Pru Moore
Andrew Barrett-Miles	Sue Hatton	Howard Mundin
Edward Belsey	Ginny Heard	Kirsty Page
John Belsey	Chris Hersey	Geoff Rawlinson
Margaret Belsey	Margaret Hersey	Peter Reed
Liz Bennett	Colin Holden	Robert Salisbury
Michelle Binks	Anne Jones MBE	Linda Stockwell
Anne Boutrup	Jim Knight	Dick Sweatman
Pete Bradbury	Jacqui Landriani	Mandy Thomas-Atkin
Heidi Brunsdon	Andrew Lea	Colin Trumble
Cherry Catharine	Anthea Lea	Neville Walker
Richard Cherry	Judy Llewellyn-Burke	Garry Wall
Rod Clarke	Andrew MacNaughton	Anthony Watts Williams
Ruth de Mierre	Gordon Marples	Norman Webster
Tony Dorey	Gary Marsh	John Wilkinson
David Dorking	Edward Matthews	Peter Wyan
Sandy Ellis	Norman Mockford	
Claire Fussell		

- 1.4 At the meeting on 25th July 2018 Members of the Council will sit as the Charity Trustees and consider this report.
- 1.5 All of the Charities mentioned in Section 2 of this report are unincorporated associations and their principal office is Mid Sussex District Council, Oaklands, Oaklands Road, Haywards Heath, West Sussex RH16 1SS. The Council's Chief Executive, Kathryn Hall, was the Chief Executive of the Charities mentioned in Section 2 of this report for the year 2016/17. Any major operational management decisions that might affect the interests of the Charities are made by the Charity Trustees.

- 1.6 The Charities' solicitor is the Solicitor and Head of Regulatory Services, Tom Clark, their bankers are the Lloyds Bank and Mr Hugh Barron (CPFA) independently examines all their Accounts.
- 1.7 This report provides a review of the operational activities of the Charities, and a statement of each charity's financial affairs for the period 1st April 2017 to 31st March 2018. It updates the trustees on current operational issues and seeks authority for some planned changes. A copy of the Accounts for each charity is annexed to this report and together they comprise the Charity's Annual Report and Accounts.

2.0 CHARITIES OPERATIONAL REPORT

2.1 General

- 2.1.1 The objective here is to maintain the quality of the facilities whilst securing their income generating capacity to offset the costs of providing these publicly accessible open spaces and facilities.

2.2 Beech Hurst Gardens, Haywards Heath – Charity No: 305202

- 2.2.1 The Charity was constituted when the Gardens were gifted to the Council's predecessor, the Urban District Council of Cuckfield, by the trustees of the late William Johnson Yapp to be administered by the Council upon charitable trust.
- 2.2.2 The object of the Charity is the provision of a public park and recreation ground for the benefit of the inhabitants of Haywards Heath. The Trustees' powers of management are very restrictive.
- 2.2.3 These gardens represent a major park for the town of Haywards Heath, while attracting visitors from outside the district. Regular maintenance has provided a high quality facility. A Steering Group for the gardens has been in existence for many years. The site continues to hold a 'Green Flag' award. It was formally judged again in June 2018 and the outcome is awaited.

Finances

- 2.2.4 The fourteenth year's trading figures for the Family Restaurant produced a turnover rent of £17,688 that was received in addition to the £47,037 base rent.
- 2.2.5 The income generated and expenditure incurred at this site is split between restricted and unrestricted funds; the former relates to the cottages, and restaurant facility, with the sporting facilities being unrestricted funds. Total income generated from petanque, events, tennis, rent from the cottages, leases, and licences (including the restaurant and income in 2.2.4 above), on the site totalled £137k. Overall running costs excluding depreciation amounted to £95k of which £92k related to buildings and ground maintenance costs, with the rest being utilities expenditure. Thus the surplus carried forward for this Charity has increased by £42k and gives a revised amount of £174K, see Appendix 1.
- 2.2.6 At the meeting of the Charity Trustees held on 20th June 2018, the Charity Trustees considered a report on the terms of the proposed catering concession at Beech Hurst Kiosk and authorised the Charity's Solicitor to grant a 5 year lease to the current tenant, Ms Joanna Collins, at a reduced rental of £2,400 p.a. The matter is now with the Charity's Solicitor for conclusion.

Attractions

- 2.2.7 At the meeting of the Charity Trustees held on 22nd July 2015 approval was given for Officers to explore, with the Sussex Miniature Locomotive Society (the Society), the feasibility of a visitors/education centre. Progress has been made to identify a suitable location and type of building. The Society has submitted its proposal to establish a Beech Hurst Learning Centre, to encourage young people to get involved with science and technology through active and interactive displays of miniature steam locomotives. The Society wishes to start engaging the public and other stakeholders to commence fundraising activities for the project, the costs of which is estimated by the Society to be in the region of £200k.
- 2.2.8 Planning permission was granted to the Society for the erection of a dedicated learning centre called 'The Branch Line' in Beech Hurst Gardens Park and associated with the miniature railway. The building will be single storey and attached at the side to the Society's Club house. Negotiations for a new lease will commence in future once the Society has had confirmation of its various funding sources, and a report to will be brought to the Trustees for consideration.
- 2.2.9 The discussions regarding installing a new access path on the Trust land to ensure it complies with acceptable standards for a path in the public domain has been put on hold pending further details from Sussex Miniature Locomotive Society on their new facility.
- 2.2.10 A small working group of Officers has been established to progress the concept of an art trail in the Gardens. The group includes representation from District Councillors to enable feedback to the Haywards Heath Art CIC. The project will require commissioning artists and a further report will be made when a suitable concept plan has been developed for each piece of art.

Beech Hurst Cottages

- 2.2.11 No. 3 Beech Hurst Cottages was re-let during the year with a void period of 73 days during major refurbishment. All 5 cottages are currently generating a total rental income of £58,500 per annum. All the cottages have had external decorations carried out including repainting of exterior surfaces and replacement windows.
- 2.2.12 A separate report will be considered at today's Charity Trustees meeting, which details further works to be carried out at the cottages.

Proposed Soft Landscaping Works

- 2.2.13 The proposal to import soil to grade the bank from the picnic lawn to the adjacent amenity area was found to be prohibitively expensive, and logistically difficult, given the volume of soil required. Therefore a more modest project is now being considered in this area. A request for funding will come forward once a revised specification has been developed. It is recommended that the £6k earmarked for this project is released, and a fresh bid made when a revised project has been agreed.
- 2.2.14 The creation of the mini arboretum has made good progress, with a number of interesting and unusual trees being planted in the autumn of 2017, and more being planned for the coming autumn. Officers are now working on developing some site interpretation material so park visitors can learn more about where plants come from,

how they came to be here, etc. £8.5k of the allocated funds have been spent to date; and the remaining £11.5k will be used to carry out further planting works, and install new interpretation/ information boards during 2018/19.

Water tank for Beech Hurst Bowling Club

- 2.2.15 At the meeting of the Charity Trustees held on 27th September 2017 the Charity Trustees approved the recommendation to expend £8,000 to upgrade the Irrigation Tank at Beech Hurst Bowls Club to make it compliant with the Legionella Code of Practice, and this was completed. Further investigations revealed that the irrigation system and trench protectors required renewal, and on 20th June 2018, the Charity Trustees approved the recommendation to spend a further £8,000 to replace the water irrigation system and trench protectors.
- 2.2.16 The meeting on 20th June also approved the expenditure of £25K to resurface the car park at Beech Hurst Cottages

Proposed Hard Landscaping

2.2.17 The Charity Trustees are asked to note the proposals detailed below which are planned for the next 12 months to deliver accessibility improvements within Beech Hurst Gardens.

Area	Proposal	Cost
Resurface Willow area	The area in the playground, used as a refuge for young children which is bordered by willow saplings, plus an area around a tree and crocodile are very popular, however when wet these areas are unusable. The proposal is to lay a bonded rubber mulch surface down in a green colour	£7,500
Path around petanque	The area to the east of the petanque is a dead area and it has been proposed to re-landscape the area. This will require the removal of footpaths and part of the wall to the north.	£10,000
Wrought Iron barriers	These are two areas where we have wooden barriers. Constant maintenance is required due to age, heavy usage and vandalism. It has been proposed to replace these two areas with sympathetic wrought iron hand rails.	£15,000
New path on Lower Meadow and Widen footpath between kiosk and bowls	It is proposed to complete a circular walk around the lower meadow, running parallel to the railway line connecting the access track by the railway club building on the western boundary to the kiosk and on wards to the path that runs from north to south on the eastern boundary. This tarmac path will also have a grasscrete path running alongside to enable vehicles access to the North eastern section of the park- which will be useful for the kiosk and the annual fair. The path that runs alongside the railway line from the kiosk to the bowls club is very narrow in sections and makes it difficult for wheelchair users and prams/buggies. The plan is to widen the path enabling another disabled access route to the bowls, club, petanque pitch and railway kiosk	£40,000

2.3. Ashurst Wood Recreation Ground, East Grinstead – Charity No: 305162

2.3.1 The object of this Charity is the provision of the open space for the recreation of adults and as a playground for the children and young people of the village of Ashurst Wood as public open space. The Council's powers of management are restricted to using the property for charitable purposes.

2.3.2 All the facilities are well used and regularly maintained, and 2017 saw the refurbishment of the players' changing rooms as they were in a very poor condition. During the works, it was discovered that the existing damp proof membrane in both changing room areas had failed, causing the existing clay tile floor covering to de-bond from the floor substrate and this had to be rectified.

2.3.3 £3K income was received for football pitch and pavilion hire. The income contributed towards expenditure of £14k for grounds and general upkeep of the Recreation Ground as outlined in the paragraph above. Also see Appendix 1..

2.4 Richard Worsley Recreation Ground, Cuckfield (known as Cuckfield Recreation Ground) – Charity No: 206789

2.4.1 The object of this Charity is the provision of a Public Recreation Ground for the use and benefit of the inhabitants of the former Urban District of Cuckfield and the Parish of Cuckfield Rural. The Council's powers of management are restricted to using the property for charitable purposes. By virtue of a Scheme made by the Charity Commissioners on 15th May 2000, the Council now has limited power, subject to complying with charity law and the prior written consent of the Charity Commissioners, to let part of the Charity's property provided that this will not unduly interfere with the objects of the Charity.

2.4.2 The grounds to this popular and well used venue have been regularly maintained. In total income of £4k was generated in 2017/18, mainly from pitch and event hiring, the tennis courts and ground rental for the tennis pavilion. The income generated contributed to the grounds maintenance and upkeep of the tennis courts, pavilion, playgrounds and paddling pool expenditure of £40k. See Appendix 1.

2.5 St. Johns Park, Burgess Hill- Charity No: 305189

2.5.1 The Charity's property comprises only the eastern half of the park. The Charity was constituted by a Conveyance dated 24th April 1891 when the Park was gifted to the Council's predecessors, the Burgess Hill Local Board, upon charitable trust.

2.5.2 The object of the Charity is the provision of a Public Park and Pleasure Ground for the benefit of the inhabitants and visitors to St John's Common.

2.5.3 Income of £13K was generated in 2017/18 mainly from the cricket pitch, event and pavilion hire. This contributed towards the expenditure of £66K for grounds and general upkeep of the facilities. See Appendix 1.

2.5.4 The refreshment kiosk within the pavilion was also operated again during the summer and generated £197 income over this period. This figure is included in the income in paragraph 2.5.4 above.

2.5.5 Council Officers have undertaken emergency repair work to secure the pavilion following break-ins and a total of £11,492 was spent to undertake capital improvement works to make the windows more secure. The old timber windows were failing and in places, suffering from rot and decay. They were all replaced with white PVCu double glazed windows and internal security expanding grille which are openable. The expenditure includes the sum of £7,807 on new PVCu windows (which formed part of the 2017/18 redecoration and maintenance works), and a further £3,685 on security grilles.

2.5.6 Council officers are working with Burgess Hill Cricket Club and other users to agree a programme for internal and external redecoration works. There is a reference to a new lease of part of the pavilion building to Burgess Hill Cricket Club elsewhere on this Council agenda.

- 2.5.7 The site was put forward for a 'Green Flag' award for the first time in 2018. It was formally judged in June 2018 and the outcome is awaited.
- 2.5.8 Officers are planning to refurbish the flower and shrub beds on this site in the autumn of 2018. New designs are being drawn up for the entrance beds from London Road, and the roundabout beds; as well as replacing the current annual bedding schemes with more sustainable planting.

2.6 Fairfield Recreation Ground, Burgess Hill – Charity No: 305187

- 2.6.1 The Charity's property comprises the eastern end of the recreation ground.
- 2.6.2 The object of the Charity is the provision of a place of exercise and recreation for the benefit of the inhabitants of the Parish of Clayton (now part of the Parish of Hassocks) and the neighbourhood.
- 2.6.3 There has been no change to the charity section of the site. The grounds have been regularly maintained.
- 2.6.4 The property comprises a popular public recreation ground including a drained football pitch. Regular maintenance by the Council has provided a high quality facility. This continues to be used regularly by sports clubs generating income of £3k, with expenditure of £12k for sports pitch maintenance and associated facility running costs. See Appendix 1.

2.7 Public Open Spaces, Lucastes Avenue Haywards Heath – Charity No: 233890

- 2.7.1 The land was gifted to the Council's predecessor, the Urban District Council of Haywards Heath, for use as public open space in perpetuity by a Conveyance dated 9th January 1932.
- 2.7.2 The object of the Charity is the provision of public open space for the enjoyment of the inhabitants of Haywards Heath.
- 2.7.3 The land comprises mainly roadside grass verges and woodland belts at the eastern end of Lucastes Avenue, which are regularly maintained by the Council, at a cost of £351. It has no income generating potential. See Appendix 1.

2.8 Public Walk and Pleasure Ground, Lindfield (known as West Common) Charity No: 305324

- 2.8.1 The land was acquired by the Council's predecessor, the Urban District Council of Cuckfield pursuant to section 164 of the Public Health Act 1875 and constitutes public open space.
- 2.8.2 The object of the Charity is the provision of a Public Walk and Pleasure Ground pursuant to section 164 of the Public Health Act 1875 for the benefit of the local inhabitants of Lindfield.
- 2.8.3 This land forms a linear open space surrounded by busy public highways with little income generating potential. The site continues to be regularly maintained, at a cost of £822. See Appendix 1.

2.8.4 A plan for bee friendly wild flower area on this site was produced; and adjacent residents have been consulted on the proposal and are generally in favour. Implementation was planned for the spring of 2018, but had to be postponed because at that time Southern Water were using a large part of the site as a works compound whilst carrying out works on the highway. Plans are in now in place to carry out this work in spring 2019.

2.9 Brooklands Park Eastern End (unregistered charity)

2.9.1 The Charity's property comprises only the eastern half of the park. The object of the Charity is the provision of a Public Park and Recreation Ground for the benefit of the inhabitants East Grinstead, the neighbourhood and the public generally.

2.9.2 The grounds of this popular park for East Grinstead were regularly maintained, at a cost of £6,376. See Appendix 1.

2.10 John Pears Recreation Ground (Unregistered charity)

2.10.1 John Pears Recreation Ground was gifted to the Council by the Pears family in 1974, upon the death of Mr John Pears, a long standing resident of Ashurst Wood.

2.10.2 The object of the Charity is the provision of a Public Park and Recreation Ground for the benefit of the inhabitants East Grinstead, the neighbourhood and the public generally.

2.10.3 The Parish Council path project has been completed and is now open.

2.10.4 At the meeting of the Charity Trustees held on 16th December 2015 the Charity Trustees considered a report at the request of the Parish Council to erect and maintain at the Park a 'street snooker sports activity wall' and authorised the Charity's Solicitor to enter into an agreement with the Parish Council to facilitate the construction of the street snooker sports activity wall at the Park to be followed with a lease of the site of the facility for a term of 28 years. An agreement for lease that facilitated the construction of the facility at the Park was completed on 7th September 2016. Construction of the facility has now been completed and the Lease granted.

2.10.5 The grounds were regularly maintained at a cost of £14k and provide an income of £5K. See Appendix 1.

3.0 CHARITIES' ACCOUNTS

3.1 The Charity Trustees are obliged to complete annual returns for each of the managed Charities under its control. The accounts are attached as Appendix 1 to this report. They set out the details of income and expenditure for each Trust Site for the financial year commencing on 1st April 2017 and ending on 31st March 2018.

3.2 The returns to the Charity Commission will be completed on the basis of these figures. In line with recommended practice the Trust Fund Assets are no longer consolidated within the balance sheet in the Council's Statement of Accounts.

3.3 Trustees should note that in the case of any charity where the charity's expenditure exceeds its income, the shortfall is met from the Council's own resources.

4 FINANCIAL IMPLICATIONS

- 4.1 All income and expenditure shown in the 2017/18 Charity Accounts were accommodated within the 2017/18 Revenue Budget.

5. RISK ANALYSIS

- 5.1 By compiling detailed annual operational and financial reports the Trustees are minimising their risks of not complying with current legislation and Charity Commission requirements. This report will form part of the Annual Returns for each Charity referred to in the report.

6.0 CONCLUSION

- 6.1 The trust property has been held and maintained satisfactorily during the period 1st April 2017 to 31st March 2018. However, further consideration is required for income generation at all sites to help aid sustainability and raise quality.

7.0 RECOMMENDATIONS

The Charity Trustees are recommended:

1. *To note and agree the contents of this report and approve the Charities' Accounts for 2017/2018;*
2. *To consider the requests and approve the proposals set out in the report in respect of the following specific charities:*

(a) Beech Hurst Gardens:

(i) To resurface the willow area near the playground at a cost of up to £7,500.

(ii) To create a new footpath around the petanque and relandscape to improve accessibility, at a cost of up to £10,000.

(iii) To replace the wooden barriers and handrails with new wrought iron barriers which will be less costly in maintenance and less prone to vandalism, and to approve a spend of up to £15,000.

(iv) To complete a new circular path around Lower Meadow and to widen the footpath between the kiosk and the bowls at a cost of up to £40,000.

(v) Report back to a future meeting of the trustees on specific detailed terms about the proposed art trail at Beech Hurst.

(vi) To release the £6,000 previously allocated for grading the bank from the picnic lawn to the adjacent amenity area at Beech Hurst as a means of unifying both locations to increase casual recreation; and report back to a future meeting of the trustees on revised proposals and costs.

(vii) To note progress and expenditure on the project to create a mini arboretum; and to agree to the remaining allocated funding of £11,500 to be used to further progress the project during 2018/19.

(b) West Common

Report back to a future meeting of the trustees on specific detailed terms for the development of a “bee friendly” wild flower area to be established in spring 2019.

BACKGROUND PAPERS:

Leisure and Sustainability, Property, legal and finance files

ENVIRONMENTAL IMPLICATIONS STATEMENT:

This report raised no environmental implications.

LIAISON WITH LOCAL COUNCILS:

No Town or Parish consultation has taken place for the purposes of this report; however consultation takes place for all major works and new initiatives.

COMPLIANCE WITH CODE OF PRACTICE ON COMMITMENTS:

All costs and income relating to charitable land were accommodated within the 2017/18 Revenue Budget.

APPENDIX 1

Charity Accounts 2017/2018

Mid Sussex District Council as Charity Trustees of:

Beech Hurst Gardens
Ashurst Wood Recreation Ground
Richard Worsley Recreation Ground
St John's Park
Fairfield Road Recreation Ground
Lucastes Avenue Open Space
West Common Public Walk and Pleasure Ground
Brooklands Park
John Pears Recreation Ground