

## **Ealing Town Hall**

### *Explanatory Guide*

Ealing Council owns the whole of the Ealing Town Hall building. The council currently holds the Victoria Hall and the Prince's Hall for charitable purposes in its capacity as Trustee (acting via the General Purposes Committee) under the Victoria Hall Trust.

Ealing Council has made an application to the Charity Commission to request consent for the disposal of Victoria Hall, as part of the wider disposal to Mastcraft. The council has been in correspondence with the Charity Commission for many months and has complied with all requirements under charity law and all requests for information and decision-making required by the Charity Commission.

The council and the Trustee, acting via the General Purposes Committee have taken great care to ensure that decision-making is not influenced by any conflict of interest. As such, there have been two distinct teams involved in providing the information and advice, one for the Council and a separate team for the Trustee.

The latest meeting of the Trustee took place on 26 September 2019, where the Trustee received a report with appendices on a number of matters concerning the future of the Trust.

The report detailed the following:

- The Committee had previously received and considered three reports in its capacity as Trustee and had, in particular, considered the proposals to redevelop Ealing Town Hall, of which the Trust property (the Victoria Hall and the Princes Hall) form part
- Applications had been made to the Charity Commission seeking to update the aims of the Trust to ensure that these were consistent with the requirements of charitable status, and to seek approval for a scheme enabling the Trust to dispose of Trust property, to enable the refurbishment of the town hall. The applications also involved a 'land swap', of the Prince's Hall (Trust property) with the Queen's Hall (council property)
- There has been detailed correspondence relating to the applications with the Commission. However, the Commission had not made decisions. A meeting was held with the Commission on 10 July 2019 to understand what further information was required by the Commission for them to make decisions and to, then, initiate the further formal steps to authorise the disposal and approve the updated aims
- The meeting enabled the Commission's representatives to see the town hall and confirm what further and final information was needed by the Commission. Following the meeting, the Commission confirmed that it provided significant and useful clarification about the context in which the Trustee will further consider the options available to it
- The Commission needed to see clear evidence that the Trustee had undertaken an independent 'charity's interests' evaluation of all the options available. The Commission confirmed that the Trust would also need to identify that there was a nearest practical option which underlay any choice of an option that would result in a disposal
- If the Trustee was minded to continue supporting the Mastcraft disposal, it had to demonstrate to the Commission that it had fully assessed all identified options and had concluded that the Mastcraft proposal represented the best option, consistent with the

original purpose of the Trust. In that regard, the benefits were to be assessed in relation to the intended beneficiaries of the Trust, and not the benefits to the council

- The Trustee had to consider the range of options available to it, as described in paragraph 4 of the report. That includes a do-nothing option. The Trustee had to be satisfied that it had all the necessary independent advice in addition to the independent valuation report, in particular, in relation to the choice of whether to opt-in to the Mastcraft scheme
- The way in which the scheme had evolved since 2014, including, the requirements of the Commission, showed that the information submitted to them on behalf of the Trust had been provided in a piecemeal way. The report was intended to draw all previous and current issues together into a single report
- The purpose of the report was twofold: to present the Trust with a complete position and basis on which to reach a decision, and to enable the Charity Commission to be satisfied that the relevant legal tests had been met
- Guided by the Charity Commission's feedback, and over-lapping with section 5 of the report, Trustees were drawn to the following:
  - The Mastcraft proposal involved a disposal of designated charity land that required authorisation under charity law, via the Charity Commission
  - The community use protocol sets out how the Trusts properties (the Victoria Hall and Queen's Hall) will be managed and will ensure that community use is preserved broadly along the current hire use
  - The implications of the best available option for swapping the Princes Hall with the Victoria Hall
  - Mastcraft would be responsible for external repairs and maintenance under the terms of the lease, which the Trust may regard as being a benefit as it would remove uncertainty about the ongoing financial support of the council
  - The consent of the Charity Commission is also required, to authorise change of the Trust's aims. These are required to bring the Trust's aims in line with the requirements of modern charity best practice.

### **The Charity Commission Scheme**

Under the new scheme for the Victoria Hall Trust, the council will have permission to:

1. Swap the Prince's Hall for the Queen's Hall as land to be held for charitable purposes. The Queen's Hall has been identified as a better space for achieving the Trust's aims.
2. Grant a 250-year lease of the town hall including the Victoria Hall and Queen's Hall to Mastcraft trading as Surejogi Ealing Town Hall Limited. The lease will be granted on completion of the redevelopment of part of the building into a hotel, and the refurbishment of the council's civic offices within the town hall.

### **Under the 250-year lease:**

- Mastcraft will pay a premium and rent to the council. The Victoria Hall Trust will receive a share of this in relation to the Victoria Hall and Queen's Hall

- Mastcraft will be required to preserve the use of the Victoria Hall and Queen's Hall for community purposes, in line with the Victoria Hall Trust's charitable aims. There will be additional rooms within the town hall building that are ring-fenced for community use too. This use will be governed by a 'Community Use Protocol' under which the Council, the Victoria Hall Trust and Surejogi will work together to ensure that the community areas remain open for community group bookings all year round, at affordable rates
- The only time when the community use protocol will not apply will be when the council needs to use the Victoria Hall. The council will be able to reserve up to 10 days per year for these events
- The community use protocol will apply for the full 250-year lease term, even if Surejogi changes the hotel premises to be used for a different purpose
- Mastcraft will be responsible for the maintenance and repair of the town hall
- Mastcraft will be prohibited from making any external or structural alterations to the town hall, including demolition works. It will also be prohibited from making any alterations to the Victoria Hall and the Queen's Hall.

The council's civic office space including the Queen's Hall will be let back to the council after it has been refurbished.

Two further underleases, of the Victoria Hall and the Queen's Hall, will be granted to the Victoria Hall Trust so it will obtain a new property interest in each of these rooms. There will be no financial obligations imposed on the Trust in either underlease other than to contribute towards utility costs and general cleaning up and upkeep of the building. The use of each room will continue to be governed by the community use protocol referred to above.