

Memorandum of Understanding relating to Property
Between the CIO and its trustees, Area Meetings and Local Meetings

INTRODUCTION

The proposed CIO for Wales and the Marches is a registered charity. Responsibility for most aspects of Quaker worship and witness rests with the Area Meetings (QF&P the first two paragraphs of 4.02) and Meeting of Friends in Wales (QF&P 5.04). This memorandum covers the life of the Local and Area Meeting (LM and AM) primarily in relation to buildings and land.

In principle the aim is to give LMs a large degree of freedom to run their own affairs within their agreed budget, while ensuring that the trustees maintain an appropriate overview of what is happening and undertake the legal responsibilities involved.

Property Section

	Local Meeting (LM) with Property Committee (LMPC)	Area Meeting (AM)	CCQW	CIO / Trustees
Day to day running				
Weekly upkeep of meeting house	Arrange for regular cleaning, voluntary or paid.			
Day to day maintenance, repairs and decorations	LM property committee (LMPC) regularly review the building and grounds noting work needed, paying proper regard to cost effectiveness and environmental concerns. Either arrange Friends' working party or engage local services to carry out the work. Check current spending limit with trustee's schedule			

Letting rooms	Promoting the use of the meeting house. Lettings are handled day-to-day by the LM lettings clerk. LMs could contract with someone to do this or use the services of a Friend from another meeting.			Trustees set the lettings and all other policies.
	LM with LMPC	AM	CCQW	CIO / Trustees
Property hire and terms	LM lettings clerk ensures that the hirers are suitable organisations in Quaker terms; that they sign room hire agreements, and that are made aware of and comply with all the necessary Health & Safety, Risk Assessment and other policies. Ensure they have access to the meeting house, and pay the agreed hire charge.			Trustees set the lettings and all other policies.
Leasing of part or all of the building	LM find appropriate tenants. Negotiate details of a legally binding lease/licence, with the tenants, working in conjunction with trustees and ensure that the terms are complied with on a day-to-day basis.			Trustees oversee the negotiations with legal advice and sign the lease. The lease is held by FTL. Ensure that lease breaks and review dates are observed. FTL holds the lease.
Staff or volunteers use of premises	Bespoke agreements may be needed			Trustees will be involved with any bespoke agreement
Property Pool	LM will retain income earned from property lettings, but will be encouraged to contribute any surplus, after property costs, to the CIO Property Pool.			CIO will hold a Property Pool formed by contributions from LMs. This will be used to support major repairs and refurbishments of all CIO properties.
Reporting	Report to the LM and CIO on the costs of running their meeting house and the income generated			Review reports from LMs, discuss any issues raised and take necessary action

Security	LM Premises Committee is responsible for the security of the meeting house. This includes dealing with rough sleepers, drug-taking and other activities on the premises; liaison with the police and social services may be necessary.			
	LM with LMPC	AM	CCQW	CIO / Trustees
Medium term management				
Testing of services and equipment	Services such as gas and electricity should be properly tested at the required times, and any remedial work required carried out. If this is significant work, the trustees should be informed and work agreed with them in advance. Portable appliance tests (PAT) should be carried out at the required intervals			Trustees will ensure that reviews of services and equipment are carried out according to the required regularity. Any significant remedial work should be agreed with the LM.
Review of property	The property should be reviewed regularly for any damage and deterioration, or work that will need attention.			Trustees will have a system to ensure that regular reviews are carried out, and acted upon.
Quinquennial surveys	Make detailed arrangements with surveyor and attend the survey Be involved with setting priorities for repairs Involvement with fund raising, there may be contributions from the property pool to help fund this work.			Arrange the survey and arrange for the payment Formulate a plan to cover building work over a number of years ahead to ensure long term viability of all its properties

Burial Grounds	If a LM has responsibility to maintain a burial ground, the LM Premises Committee should visit it at regular intervals and record any remedial work required; this should be reported to trustees who can then arrange with the LM for this to be carried out.			Trustees should maintain a register of Quaker burial ground and who is responsible for their maintenance. Trustees arrange with the LM to have remedial work carried out and for payment.
	LM with LMPC	AM	CCQW	CIO / Trustees
Major decisions	There must be a minute of agreement from the LM, AM and CIO trustees before proceeding with any major decision. These matters require discernment and realism. If there is difficulty in reaching unity, the AM elders should take appropriate steps to resolve the matter, for example they might ask experienced elders from a neighbouring meeting to support a threshing meeting, ask Quaker Life for help in finding appropriate mediators or refer the matter to a General Meeting of the CIO.			
Major works (refurbishments and extensions to meeting houses)	LM may propose that major work be carried out on their meeting house. LMPC discuss this work informally with trustees, and send minute to AM and trustees. Fund-raising may be necessary. Provide information to trustees to help with the long-term property plan.	LM minute considered at AM in session, and minute their decision, which is then sent to trustees.		Trustees consider the LM and AM minutes, and discuss with those involved how any work would be carried out and funded.
Ownership				Friends Trust Ltd (FTL) owns the properties with the CIO being the beneficial owners. FTL holds the title deeds.

<p>Purchase of property</p>	<p>LM decides it wants to purchase property, and sends a minute to AM and to trustees for discernment. If agreed by all parties, the LM is partly responsible for fund-raising. It is responsible for the detailed negotiations through agents and solicitors, and for the details of moving into the property. The CIO trustees must be consulted at all stages.</p>	<p>AM considers the LM minute and writes its own minute which is sent to trustees.</p>		<p>Trustees consider the LM and AM minutes. Trustees oversee the legal process and notify FTL. Trustees consider how this purchase will be financed, and may contribute funds. The purchase must show that FTL is the beneficial owner and will hold the deeds.</p>
<p>Before proceeding, the LM, AM and the CIO trustees need to discuss and agree how responsibility for funding and fundraising for the new property will be apportioned between them. When considering taking on a new property it should take into account environmental considerations, the cost of maintenance and any income that can be earned from it.</p>				
<p style="text-align: center;">LM with LMPC</p>		<p style="text-align: center;">AM</p>	<p style="text-align: center;">CCQW</p>	<p style="text-align: center;">CIO / Trustees</p>
<p>Disposal / sale of property</p>	<p>LM discerns it is time to dispose of or sell a particular property. It consults with trustees at all stages. It sends a minute to AM and trustees. LM Premises Committee are involved with sale negotiations with agents, solicitors and potential purchasers.</p>	<p>AM considers the LM / trustees minute and writes its own minute which is sent to the LM and trustees.</p>		<p>Trustees discern it is time to dispose of or sell a particular property. They consult with LM and AM at all stages. Trustees consider the LM and AM minutes. They make the final decision on the terms of the sale – price etc. They are involved with the legal process and notifying FTL. They ensure that due legal processes are followed. FTL are notified and provide the necessary documentation to solicitors.</p>

Proceeds of sale				Any net proceeds of sale will be included in the CIO's funds. Responsibility for maintaining records of all the properties and the trusts (if any) under which they are held, and for ensuring that, subject to the terms of any relevant specie trusts, any proceeds of sale are applied appropriately for the benefit of Friends across the CIO area.
Borrowing				The CIO will not borrow on the security of any property without the minuted consent of the relevant LM and AM concerned.

	LM with LMPC	AM	CCQW	CIO / Trustees
Legal				
Employment	See general MOU			
Insurance for staff	Arrange for certificate of employers' liability insurance to be publicly displayed in their property			The CIO will provide employers' liability insurance. Self-employed workers must make their own insurance arrangements. Arrange for employment liability insurance certificates to be sent to LMs for public display
Insurance	Any events affecting insurance and potential claims received by LM should be communicated to the trustees and the insurance agents as soon as possible.			Arranges and pays for buildings and their grounds, contents insurance, and public and employee liability insurance for all property including burial ground. Liaises with insurance agent about all matters affecting insurance.

Alteration				
	The terms of this Memorandum may be altered at any time by mutual agreement in the form of Minutes of the constituent bodies and the CIO Trustees respectively.			