

### 43. Wesley House, Cambridge

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<b>Resolution</b>	43/1. The Conference receives the Report. (Further resolutions are likely to follow on an Order Paper)

#### Summary of Content

<b>Subject and Aims</b>	This Report offers an update on proposals for the future of Wesley House, Cambridge
<b>Main Points</b>	Background Proposals for incorporation Appointment of Trustees
<b>Background Context and Relevant Documents (with function)</b>	MC/13/63 The Future of Wesley House Cambridge with Appendix MC/13/63A (October 2013) MC/14/64 The Future of Wesley House, Cambridge (April 2014)
<b>Consultations</b>	Charity Commission The Methodist Council (October 2013 and April 2014)

#### **Background**

1. Following *The Fruitful Field Project* report by the Ministries Committee to the Conference of 2012 and the adoption by that Conference of the recommendations in the report, the Trustees of Wesley House have been engaged in the development of a new vision for Wesley House which will build upon the work done in the 90 years since its foundation but will also reflect the new circumstances under which the Conference no longer sends candidates for initial training to Wesley House.
2. In doing this, the Trustees have been anxious to maintain links between Wesley House and the Connexion. As part of the process, a report was brought to the Conference of 2013 outlining the Trustees' vision and the steps required to bring it to fruition. Those steps were understood to include obtaining the consent of the Charity Commission to changes to the objects set out in the Wesley House 1919 Foundation Deed and obtaining the consent of the Conference to a possible sale and leaseback disposition of the freehold property owned by the Trustees in Jesus Lane, Cambridge. The 2013 Conference, having debated the report, delegated to the Methodist Council the task of responding to consultation on the proposed new objects and consenting to a disposition of the land.
3. Shortly after the Conference of 2013, the Charity Commission notified the Trustees that in its view formal consent to the new objects was not required, and at its meeting in October 2013 the Council approved the new (and wider) objects. It also approved in principle arrangements for the sale of the site and the leaseback of part of it.
4. By the time the Council met in April 2014 considerable further work had been done on the development of the Trustees' business plan and confidential negotiations with a proposed purchaser had reached agreement on a price which would be sufficient to enable the

redevelopment of the part of the site intended to be leased back to the Trustees while also enabling the Trustees to meet the costs of a year of transition in 2014/2015 and, it is hoped, producing a surplus which can be used to fund bursaries. The Council approved the particular sale and leaseback proposals. At the same time the Council approved changes to the administrative arrangements under the 1919 Foundation Deed. The amended deed has now been formally adopted by the Trustees.

5. Following these developments, the Trustees now bring two consequential matters to the Conference of 2014.

### **Proposals for incorporation**

6. When the Trustees brought their business to the April 2014 meeting of the Council, they also informed the Council that it is hoped to incorporate the trustee body in the near future. The Trustees are advised that this is now common practice, in particular where trustees will be entering into substantial contractual commitments, both for straightforward administrative convenience and so that individual trustees do not face potential personal liability, even where an indemnity is available. The Trustees wish, if at all possible, to incorporate before it is necessary to enter into the principal redevelopment contracts.
7. It is at present unclear whether incorporation will precede the exchange of contracts on the sale and leaseback, will follow the exchange of contracts but precede completion, or will follow completion. The amended 1919 Foundation Deed maintains the requirement for the consent of the Conference to a disposition of the Jesus Lane site. That means that if incorporation is to be as helpful as the Trustees hope, the consent of the Conference will be required either to the disposition at the contract stage, or to the disposition at the completion stage, or to an assignment of the lease once granted. The transaction will be the transaction for which the Trustees already have the consent of the Methodist Council, but the Trustees are seeking the approval of the Conference to substitute the body corporate for the body of individual trustees at the appropriate point. The exact position will be much clearer by the time the Conference meets and it is therefore proposed to bring the relevant resolution on the Order Paper.

### **Appointment of Trustees**

8. The amended 1919 Foundation Deed also maintains connexional involvement in the process for appointing new trustees. In summary, the Conference will be invited to approve a list of persons nominated as trustees and the existing Trustees will then resolve whether or not to make the appointments, which will now be for a six year term in the first instance. It is expected that the articles of association of any body corporate will specify a similar process, albeit for appointing directors of that body rather than trustees.
9. It has not been possible to follow the new process this year, because to do so would have required action to be taken earlier in the connexional year, before the amended Foundation Deed had been adopted. Four of the current Trustees are retiring at the end of this connexional year and the Trustees are seeking new trustees to fill their places, bearing in mind the need for appropriate skills. Although the Trustees have power to co-opt trustees for periods of up to a year to fill vacancies, if possible the Trustees will invite the Conference to approve the nominations of new Trustees (or, as the case may be, directors) with a view to their being appointed to office for a longer period. Again it is proposed to bring any such resolution on the Order Paper.

10. In the meantime, the Trustees record the impending retirement of the Revd Robert Dolman, Mr Paul Hutchings, the Revd Graham Thompson and the Revd Martin Wellings, with grateful thanks from the continuing Trustees for all their service to Wesley House.

**\*\*\*RESOLUTION**

**43/1. The Conference received the Report.**

**Additional report** (Daily Record 8/19/2)

1. Paragraphs 6 and 7 of the report in the Agenda explain the Trustees' proposals for incorporation and the need for the consent of the Conference to potential variations of the approved arrangements for the disposition of the Jesus Lane property by substituting a new body corporate for the existing body of individual trustees. When the report was written, it was envisaged that by the time the Conference met the sequence of steps as between contract, completion and incorporation would be clearer. In fact that is not the case and the Trustees therefore seek the consent of the Conference to each of the various possibilities, as set out in Resolution 43/2 below.
2. Paragraphs 8 to 10 of the report in the Agenda explain the Trustees' proposals for the process of appointing new trustees (or, if incorporation has taken place, directors) in place of those who are retiring this year, and state that it was not possible to include in the Agenda the names of those whose nomination the Conference would be invited to approve. Those names are brought before the Conference by Resolution 43/3 below.
3. The Trustees also invite the Conference, by passing Resolution 43/4 below, to express its thanks to the retiring trustees.

**\*\*\*RESOLUTIONS**

**43/2. The Conference, noting that:**

- (i) **the Methodist Council has approved on behalf of the Conference the entry by the Trustees of Wesley House, Cambridge into a disposition involving the sale of the property in Jesus Lane, Cambridge and the leaseback of a part of the property; and**
- (ii) **the Trustees intend shortly to form a company limited by guarantee ("the Company") which will become the trustee of the property subject to the trusts relating to Wesley House and to which, as far as legally possible, the assets and liabilities of the Trustees will be transferred**

**approved each of the following:**

- (1) **the substitution of the Company for the Trustees as the vendor in relation to the proposed sale and the lessee in relation to the proposed leaseback;**
- (2) **the substitution of the Company for the Trustees as the lessee in relation to the proposed leaseback (the contract having been entered into by the Trustees as vendor);**

- (3) the assignment of the leasehold interest arising under the proposed leaseback by the Trustees to the Company (the contract and the leaseback having been entered into by the Trustees as vendor and lessee respectively)**

so that the approved disposition may be entered into by whichever party may be the appropriate party at the material time and the leasehold interest may in due course be vested in the Company.

**43/3. The Conference approved the nomination of the persons listed below as new trustees of the trusts relating to Wesley House or (as the case may require) new directors of the Company:**

- (i) Mr Paul Ashley**
- (ii) The Revd Dr Stuart Jordan**
- (iii) The Revd Julian Pursehouse**
- (iv) Mr Michael Sharpe**

*Reasoned statements*

Mr Paul Ashley: Member of Wesley Church, Cambridge. A recently retired environmental and sustainable development consultant with experience of senior corporate management.

The Revd Dr Stuart Jordan: currently one of the Chairs of the London District. Formerly Secretary of the London Committee.

The Revd Julian M Pursehouse: incoming Chair of the East Anglia District, in which Wesley House is situated.

Mr Michael Sharpe: a Circuit Steward in the Cambridge Circuit with wide experience of project management in construction and transport.

**43/4. The Conference expressed its thanks to the Revd Robert Dolman, Mr. Paul Hutchings, the Revd Graham Thompson and the Revd Dr Martin Wellings for all their service as trustees of Wesley House.**