

# The Scout Association Trust Corporation



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**0845 300 1818**

## 1. Preliminary

These notes are intended as a guide to help Groups, Districts and Counties (Scout Units) in England and Wales who either already hold title to land (whether on their own or together with a Guide Unit) or intend to do so.

estimated that approximately 90% of Scout Units with land interests have appointed the SATC which is only able to hold title to land on behalf of Scout Units and Guide Units when they are also involved). The SATC charges a standard acceptance fee.; or

## 2. Why Trustees?

Scout Units are independent educational charities in their own right. However, as most are not "Corporate Bodies" (i.e. formed into Companies), they are unable to hold title to land in the name of the Scout Unit and must appoint trustees to do this on behalf of the Scout Unit. Such trustees are known as Holding Trustees and become named parties in the land transaction. Holding Trustees do not have to be members of the Unit's Executive Committee

(c) the Official Custodian for Charities. This is also a Custodian Trustee but created and run by the Charities Commission and empowered to hold title to land on behalf of charities in general. The services of the Official Custodian for Charities are free. (More information can be obtained by ringing the Charities Commission Contact Centre on 0845 300 0218 or from their leaflet CC13 "The Official Custodian for Charities' Land Holding Service" found on their website:or

## 3. Who can be Holding Trustees?

The Executive Committee of a Scout Unit are the "Charity Trustees" and are responsible for the day-to-day management of the Scout Unit and all its resources which includes any land/property. The Executive Committee may choose to appoint:

(d) in some rare cases, the land in question may already be, historically, held by other Corporations or other types of Trust organisations. This should be detailed in the land deeds/documents.

(a) not more than four individuals to become Holding Trustees (usually local individuals); or

(b) a properly constituted Trust Corporation e.g. The Scout Association Trust Corporation (SATC). Such trustees are known as 'Custodian Trustees'. It is

## 4. The Role of Holding Trustees

Holding Trustees merely hold title to the land on behalf of the Scout Unit. They are entitled to be indemnified by the Scout Unit against liabilities arising – e.g. unpaid rents, repairs etc.

## 5. What is the SATC?

The SATC was created in 1935 as a company limited by guarantee and authorised to hold title to land on behalf of the Association's Scout Units (and Guide Units when they are involved). The SATC holds title to freehold, leasehold and long-term Licence land interests and as a mere 'Custodian Trustee' it does not have any responsibility for the day-to-day management of the Scout Unit or the scout Unit's land which remains the responsibility of the relevant local Executive Committee i.e. the Charity Trustees.

The SATC is a company registered and licensed especially to act as trustee for Units of The Scout Association. The SATC works through a small voluntary Board of Management composed of people with long and varied experience in the Movement and the professional world.

## 6. Why the SATC as opposed to local Holding Trustees?

There are three main reasons why Scout Units usually choose to appoint the SATC:

- (a) Although in general Holding Trustees are entitled to be indemnified against liabilities by the relevant Scout Unit, this may prove complicated especially where the Unit has folded or has insufficient funds. In such cases, as long as the Holding Trustees have acted in good faith, their liabilities will be covered by the general Trustee Indemnity insurance provided by The Scout Association to trustees involved with scouting generally. However, in today's economic and sometimes litigious society, Scout Units find it increasingly difficult to find willing Holding Trustees. The SATC's liability is limited by virtue of its role as mere Custodian Trustee and in all land documentation it is a party to;
- (b) When local Holding Trustees move area, resign or perhaps die, Scout Units can face prolonged and expensive administrative processes to replace them and rectify documents etc;

(c) The SATC can provide peace of mind by offering:

- (i) Permanent trusteeship of property;
- (ii) Assistance to solicitors locally-appointed by Scout Units in settling terms of Conveyances, Leases etc with a scouting slant;
- (iii) Model forms of certain documents which reflect the special needs of Scouting;
- (iv) Safe custody for title deeds;
- (v) General advice at any time for incidental matters affecting the use and occupation of the property,
- (vi) Accumulated experience through Board Members and staff in dealing with trusteeship matters.

## 7. Can the SATC accept transfer from existing local Holding Trustee?

Yes. There is a simple procedure to enable this to be done at any time which involves a Deed of Retirement and Appointment. At the time of the proposed transfer the SATC will need to have sight of the Trust Deed under which the Local Trustees have operated in order to ensure legal compliance with the Trust Deed. Also, in respect of leasehold land, the Scout Unit will need to ensure that the Landlord is willing to vary the existing terms of the lease to include the SATC and also incorporate standard terms limiting the SATC's liability.

## 8. How much does it cost to appoint the SATC?

Units contribute towards the costs of the work necessary on their matter. The current standard fee is £450 +VAT (or £400 +VAT if a Unit's property/land is insured through Scout Insurance Services Limited). The fee is payable each time a Unit appoints the SATC i.e. once with freehold land but each time a lease is renewed due to the work required. Thus, in order to save costs, the SATC encourages Units to secure as long term lease as possible. The SATC fee also covers the work required in registering the freehold/leasehold land and the Unit only pays an additional £50 Land Registry fee.

### **9. Does the SATC handle all matters relating to a Unit's land?**

The SATC fee represents a reasonable contribution by the Unit toward work necessary on appointing the SATC on its matter. It does not cover negotiating the terms of leases or acting as solicitor for the Unit because:

- (a) the SATC's Custodian role must remain distinct throughout. As responsibility for the day-to-day management of premises/land remains with the Executive Committee, only it possesses the local knowledge necessary to enter into the relevant negotiations; and
- (b) SATC work is undertaken by the legal team at Gilwell Park who, due to the logistics as well as other legal reasons, are only able to act as solicitor for the SATC itself (and not Scout Units also;

### **10. How to appoint the SATC?**

Scout Units can contact the SATC at:

- (a) [trust.corporation@scout.org.uk](mailto:trust.corporation@scout.org.uk) (preferred method);
- (b) by letter to The SATC, Gilwell Park, Chingford, LONDON E4 7QW

Contact should be made by a member of the Scout Unit's Executive or someone authorised by them and **at the earliest possible stage** of any proposed transaction or project, preferably before any documents have been drafted and certainly before any draft has been agreed with the other side.

On contacting the SATC, applicants will be sent the necessary application form fill in and return it to the SATC together with an outline of the procedure involved.

Please note, in some rare cases, it may not be possible to appoint the SATC immediately or at all due to other circumstances affecting the said land.