

'The Voice of Village Halls'



This evidence is submitted by Action with Communities in Rural England (ACRE) on behalf of the **National Village and Community Halls Network**, formerly the National Village Hall Forum. Further information about their role can be found [here](#). This Call for Evidence is a summary of the numerous detailed emails received from members of the NVCH Network. These can be made available to provide further information and background should they be required.

ACRE has submitted written evidence under separate cover.

Call for Evidence - Select Committee on Charities

1. What is the role and purpose of village hall charities in civic society in England and Wales? How has this changed?

The unique network of community-owned and managed village halls is part of England's rural heritage and fulfils the need of those communities by providing a social centre from where activities and services for all ages can be delivered.

Village hall charities traditionally provided a low cost facility for local groups, other charities and individuals to meet and run a range of activities for the community and local residents. The local Church, School, shop and Public House provided spaces for worship, education, daily shopping needs and social activity. Village hall charities have had to adapt to meet the changing needs of rural communities as these meeting spaces close. There is a greater expectation that village hall charities are able to use their facilities to fill gaps, this has taken place with varying levels of success.

Village hall charities are now registering as Charitable Incorporated Organisations (CIOs) so that they have the advantage of limited liability rather than personal liability under the traditional trust model.

What makes them distinct from other organisations doing similar work?

Village halls have always been owned and managed by their community for the community as opposed to halls and community centres in urban areas that are vested in local authorities. They are run by volunteer trustees who are responsible for all the fundraising and day to day management of their hall. Their impact on the rural communities in which they are situated whether economic, social or environmental is demonstrated in ACRE research¹. For instance they use local tradesman, provide space for local people running small enterprises, a place to meet with the community or to hold family celebrations and many have been forerunners installing renewable energy technology providing demonstration projects for the community.

The primary purpose of a village hall charity is to create community cohesion and civic action as the standard charitable objectives demonstrate:

¹ <http://www.acre.org.uk/downloads/research-village-halls>

"The Property and the trust fund and its income shall be applied for the purposes of a village hall for the use of the inhabitants of the Parish of.....without distinction of sex, sexual orientation, age, disability, nationality, race or political, religious or other opinions, including use of the Property for meetings, lectures and classes or other forms of recreation and leisure time occupation in the interests of social welfare and with the object of improving the conditions of life for the said inhabitants"

How does the sector benefit from volunteers managing buildings?

Volunteers contribute an average of 18.5 hours per week to run their village hall. There are circa 10,000 village halls across rural England. The management committees volunteer as they have an interest in providing and maintaining their building for the community, but they are generally undervalued.

What challenges do charities face in trying to fulfil their role in civic society?

Village hall charity volunteers need to ensure that their building complies with the same legislation as any workplace, shop or other public building and they have the same liabilities. Volunteers have to fund raise for management and maintenance and ensure they comply with all reporting requirements.

2. Pressures and opportunities

The key pressures faced by village hall charities:

- Recruiting volunteers (leading more frequently to some halls being handed to the PC). On average the youngest member of a management committee is 42 and the oldest 73. We are informed that 59% have problems recruiting volunteers as people are not interested, too busy or too old. A complaint of hall trustees is that people want to use the hall but they don't want to run it.
- Increasing expectations on service delivery rather than building/facilities management.
- Time needed for raising finance and the lack of availability of grant funding for capital works.
- Population demographic – people are working longer and have less time for volunteering.
- Emphasis on performance and effectiveness and accountability is off putting and detracts from the reasons that village hall trustee's volunteer.
- Lack of computer literacy in a digital age where reporting online is required. Many village hall trustees are of a generation that are not familiar with IT and rely on support from younger family members or ACRE Network members to submit returns.
- Demoralising impact of the burden of irrecoverable VAT. Village halls are not registered for VAT, so extension and refurbishment projects mean an extra 20% has to be found through fundraising and grants. Research showed that in England an average of £7m was lost in irrecoverable VAT.

How can these pressures be overcome?

- Adequately financed support from trusted providers which could be provided with a mix of national, county and local level funds. The innovative funding model used by the recent Big Lottery Village SOS programme has been successful in supporting village hall charities. Research is needed to understand how both models referred to could work either separately or together.
- Recognition by Government of the value of a range of financial for a sustainable village hall; that what is appropriate and achievable in one community may not be possible or sustainable in another.
- Reconsideration of the irrecoverable VAT situation for village halls and introduction of a VAT refund Scheme

- Charities working together to raise the profile of benefits of volunteering to support building management and to develop the skills of the volunteers managing those buildings.

Opportunities

There have always been opportunities for the development of village hall charities to become active hubs at the heart of their communities providing a few, or many, bespoke services. These can support not only the bricks and mortar of the building but maintain the essence of the traditional village hall. However, appropriate local County level support (both professional and peer support) must be made available to give communities confidence that it can be done, change the constitutional models where necessary and upskill village hall trustees.

3. Innovation - how do charities seek to innovate, particularly in the digital arena?

What more could be done to promote innovation, and by whom?

For innovation to be possible local County level support is needed for village hall charities to consider their options and long term viability.

Village hall charities are becoming more aware of the opportunities of a) having a connection to broadband in their hall and b) using social media for raising awareness of their charity both within and outside their communities.

What barriers are there to being innovative?

- Reluctance and age demographic (we've always done it this way)
- Access - some halls provide a broadband connection for hirers of the hall and in some cases host a wifi connection for the whole community. Rural broadband connections don't yet reach into all rural communities.
- Cost of broadband connection - Unfortunately tariffs vary widely from provider to provider and village halls are either charged a business or domestic rate. We would welcome a rate for charities. There are initiatives in some Counties and ACRE was pleased to learn that Gigaclear are connecting village halls for free in some rural communities and providing a zero tariff for one year.
- Lack of computer literacy in a digital age where this is becoming vital even for everyday life. Many village hall trustees are of a generation that are not familiar with IT and rely on support from younger family members or ACRE Network members to submit returns and reports.

8. Social investment

What is the potential of social investment and social impact bonds?

We need to ask what social investment from a village hall perspective is.

Village hall charities usual experience of social investment is through loans either private loans from individuals within the community or through the Defra's Rural Community Buildings Loan Fund that is managed by ACRE. This Fund allows village hall charities to borrow relatively small amounts that are manageable within their cash flow and also takes into account that they are unincorporated charities. An evaluation of the Fund will be complete by the end of September. It considers the social, environmental and economic impact of the fund and how it can be improved.

At a grass roots level fundraising activity such as the popular 'buy a brick schemes' allows individuals to invest in a hall project and take ownership at a financial level that suits them.

Community shops and pubs use a Community Benefit Society operating model which is required for investment in the form of a share offer. The benefit to the village hall in a share offer would be the availability of a large capital investment for new build and extension & refurbishment work. However other than the sense of ownership by those from the community investing in their village hall there would not be a financial return. CBSs don't offer dividends and interest on share capital would be limited.

During 2015/16 the ACRE Network has worked with their honorary legal adviser, Jonathan Dawson, to produce a consultation briefing on Village Halls as Community Benefit Societies. A range of responses have been received from village halls and other national bodies, such as Plunkett, who have an interest in the CBS model. ACRE will decide how to take the work forward in the Autumn.

What are barriers to fulfilling their potential?

- Loan finance and repayable investment of a significant scale is challenging based on the trading income of village hall charities.
- 80% of village halls are unincorporated and held on charitable trusts in perpetuity for the community. This model is not suitable for share issue or an acceptable vehicle for taking on a large long term loan particularly given the personal liability of trustees/volunteers managing village halls.

9. The role of the Government - What should the role of Government be with the sector?

What should be the role of local Government?

Local authorities at District & County level need to acknowledge and take supportive actions in recognition of the role that village halls can and do play in rural communities.

The relationship between village hall charities and Parish Councils varies from village to village across rural England. This can depend on the constitutional role that the Parish Council holds; sometimes as the sole trustee but more often as the custodian trustee. In some cases the Parish Council has no constitutional role but it does have powers to assist. Whatever their role they are able to support the village hall charity in a number of ways and should be encouraged to do so by their national body, NALC. ACRE provides guidance for village halls on this: Information Sheet 2: Parish Council help for village halls.

Local government needs to take a lead in providing small amounts of grant funding for trusted organisations within their County where they are supporting village hall charities to deliver necessary services in remote communities.

Under austerity measures local support organisations, such as ACRE members, have lost funding from local authorities who have taken support services in house. In house support services will take many years to build the confidence of local village hall charities, who can be reluctant to contact the local Council rather than a local Charity.

The role of national Government

A civic society is one that should understand and represent the needs of all communities. National Government policy tends to expect one size to fit all and champions the successes of particular agendas excluding or attempting to mould those charities that do not fit the policy comfortably.

Devolution

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The Government's proposal to allow Local Authorities 100% of the business rates they raise has caused some concern in the sector. Village halls are eligible for 80% mandatory relief and 20% discretionary relief under the Local Government Finance Act 1988. Last available research (2009) showed ¾ of village halls received 100% relief and we suspect that has reduced and may reduce further under the new arrangements. We would like to remind Government of the value of the reliefs to village hall charities.

What should be the role of the Charity Commission?

ACRE and its Network have always worked closely with the Charity Commission. We have shared information and training as well as being involved with their staff through accreditation of quality standards. Network advisers assist halls through the charity registration process and provide support for village hall committees who need to make changes to their governing documents and more latterly have assisted the Charity Commission in tracking village hall charities that have defaulted with their accounting and reporting submissions.

Since moving to a regulatory role the Charity Commission refers callers with land and property queries to ACRE and its Network for advice, guidance and support. Therefore ACRE and its Network and other infrastructure organisations have been expected to pick up the work the Charity Commission no longer undertakes. This needs resourcing but village hall charities have low incomes and hours of fundraising are needed to raise funds to keep the building going. Paying for community development support and any necessary legal fees can be prohibitive.

ACRE and its Network have frustrations in working with the Charity Commission. The website, now part of .gov is not user friendly and it is very difficult to speak to a person without using the call back system. It is not always appropriate to send an online query.

We recommend, and have done so before, that it would be useful for the Charity Commission to provide a helpline service for infrastructure/advice bodies/solicitors so that technical questions can be asked and cases followed up on behalf of village hall charities. This service would not be available to individual charities for general enquiries.

This situation is summed up in a paragraph from **Milverton Victoria Rooms Management Committee in Somerset:**

"We would like to see legislators and administrators consider the implications of their policies and decisions on small volunteer-run charities such as ours. We would like to see the burden of bureaucracy reduced with the needs of small charities in mind. In our view, the Charity Commission needs to adopt a more customer-focused stance generally, coupled with a more personal, user-friendly approach when dealing with small charities seeking guidance. Small charities need a louder voice and we see the creation of the National Village and Community Halls Network as an encouraging development"

Thank you for the opportunity to respond to this Call for Evidence. We would be pleased to provide further information should it be needed.

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On behalf of the National Village & Community Halls Network
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