**Memorandum of Understanding relating to Property owned by Quakers in Scotland (a SCIO) between its Trustees, QiS Property Committee and Local Meetings**

**INTRODUCTION**

The proposed SCIO for Quakers in Scotland (QiS) will be a registered charity. This memorandum covers the life of the Local Meeting (LM) primarily in relation to buildings and land that will be owned by the SCIO. There is potential overlap with other aspects including Finance and Employment, and this MoU should be read in conjunction with a General MoU which will cover responsibilities for all aspects of Quaker life.

The aims are to give LMs a large degree of freedom to run their own affairs within their agreed budget, while providing mutual support through a QiS Property Committee and ensuring that the QiS Trustees maintain an overview of what is happening so that they may fulfill their legal responsibilities.

QiS members will appoint Trustees at Meeting for Worship for Church Affairs (QiS MCA) and will approve nominations for the membership of the QiS Property Committee (1-2 trustees and a representative from each LM that has responsibilities for property). The QiS Property Committee will report to the Trustees who will consult with QiS MCA on any major issue impacting the life of a LM or QiS.

When the terms of this memorandum require alteration, changes will be agreed by the QiS Property Committee and advised to Trustees who will report to QiS MCA.

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|  | **Local Meeting (LM) with Property Committee (LMPC)** | **QiS Property Committee** | **Trustees** |
| **Arrangements for property management** | Appoints **LM Property Committee.** This may include Friends from outwith LM where their knowledge and skills are needed.  Nominates representative to **QiS Property Committee.** | Meets regularly and reports to Trustees.  Receives reports from LM Property Committees.  Develops property policies for consideration and adoption by Trustees. | Appoint 1-2 Trustees to **QiS Property Committee** and agrees its remit.  Have legal responsibility for property.  A trustee, normally the clerk of trustees or delegate, signs all legal documents. |
|  | **LM** | **QiS Property Committee** | **Trustees** |
| **Day-to-day upkeep** |  |  |  |
| Cleaning and supplies | Arrange regular cleaning, voluntary or paid.  Ensure the availability of domestic supplies. |  |  |
| Security | Ensure the security of building.  Maintain list of key-holders.  Deal with unexpected problems e.g. arising from behavioral issues. |  |  |
| **Lettings** |  |  |  |
| Letting rooms | Promote the use of the Meeting House and other owned properties.  Day to day handling of lettings by a LM lettings clerk/ lettings group or contracted out.  Ensure the hirers are suitable in Quaker terms, consulting with QiS Property Committee and Trustees where necessary.  Ensure the hirers sign room hire agreements and are made aware of and comply with all necessary health and safety, risk assessment and other policies.  Ensure the hirers have access to the building and pay the agreed hire charge. | Provide support to LMs over decisions about the suitability of organisations wishing to hire rooms.  Develop common lettings policies and report to Trustees.  Consider proportions of time to be made available for external and Quaker groups. | Approve lettings policies |
|  | **LM** | **QiS Property Committee** | **Trustees** |
| Leasing of part or all of the building | Find appropriate tenants, negotiate a legally binding lease or license to occupy, and ensure compliance with the tenancy agreement. With the agreement of QiS Property Committee, LM may use a Factor to manage these landlord functions. |  | Oversee the legal negotiations taking legal advice where necessary, and sign and hold longer-term leases. |
| Lettings income | LM will retain income from property lettings unless alternative arrangements are made.  Include projected lettings income in annual budget setting. | Consider the development of a Property Pool of surplus income (after property costs) to support major building work when needed at all QiS properties. | Hold any agreed Property Pool. |
| **Building Works** |  |  |  |
| Major works (refurbishments and extensions) | Discernment in liaison with QiS Property Committee and Trustees.  Development of business plan.  Involvement in fund-raising. | Discernment in liaison with LM and Trustees. | Discernment in liaison with LM and QiS MCA.  Discussion of how any work would be carried out and funded.  Minute of agreement between LM and Trustees required before proceeding. |
| Maintenance (repairs and renewals) | Regular review of buildings and grounds for any damage or deterioration.  Arrange work needed (with Friends’ working party or local contractor) paying proper regard to cost effectiveness and environmental concerns.    Check spending limit agreed with Trustees. | Share experience between LMs  Monitor to ensure that regular reviews are carried out and acted upon.  Recommend budgets and spending limits to Trustees. | Set spending limits based on agreed budgets |
| Testing of services and equipment | Test gas and electricity supplies at required intervals and carry out any remedial work. Inform QiS Property Committee of any major work and discuss with Trustees.  Ensure Portable Appliance Testing (PAT) is carried out at the required intervals.  Ensure regular servicing and testing of any lifts.  Ensure fire alarms are tested regularly and fire-fighting equipment is serviced at required intervals. | Ensure reviews are carried out on time. | Agree any major remedial works with LM |
| Quinquennial survey | Make detailed arrangements with surveyor and attend the survey.    Be involved with setting priorities for repairs.  Help to raise additional funds if these are required. | Organise quinquennial survey of all property if required.  Liaise with LM about implementing survey recommendations. | Ensure that arrangements are in place for the surveys and that finance for implementing recommendations is available.  Formulate a plan to cover building work over a number of years to ensure the long term viability of all properties. |
| Burial Grounds | If a LM has responsibility to maintain a burial ground the LMPC should visit at regular intervals and report any remedial work required to QiS Property Committee. | Receive LM reports of regular inspections and report to Trustees. | Maintain a register of Quaker burial grounds.  Provide a maintenance budget and authorise any remedial work by LM. |
| **Purchase or sale of a property** |  |  |  |
| Purchase | Discernment and a minute to QiS BM, QiS Property Committee and Trustees.  If agreed by all parties, LM will be responsible for leading any fund-raising in accordance with a business plan and for detailed negotiations with agents and solicitors (Trustees to be kept informed) | Help with discernment in liaison with LM and Trustees. | Consider LM and QiS MCA minutes.  Consider how the purchase will be financed.  Oversee the legal process with the QiS SCIO to be the owner and title-holder of the property. |
| Disposal/sale | If LM discerns that it is time to dispose of or sell a particular property it consults with Trustees at all stages.  LM sends a minute to Trustees and QiS Property Committee.  LMPC are involved with sale negotiations with agents, solicitors and purchasers. | Help with discernment in liaison with LM and Trustees | If Trustees discern that it is time to dispose of or sell a particular property they agree the way forward with QiS MCA and LM before proceeding and consult with LM at all stages  Trustees make the final decision on price and ensure that due legal processes are followed. |
| Proceeds of sale |  |  | Net proceeds to be applied first to any future plans of the LM making the sale that were agreed during the discernment process.  Any surplus generally to be for the benefit of Friends across the SCIO, but the terms of an original Trust deed may mean that the proceeds need to be in a restricted fund. |
| Borrowing |  |  | The SCIO will not borrow on the security of any property without the minuted consent of the relevant LM. |
| **Employment** *This section to be considered further in relation to a General MoU* |  | *Possible separate QiS Employment Committee* | Some QiS employees may not be associated with property |
| Employees | Responsible for day-to-day line management.  Liaise with QiS Property or Employment Committee over job descriptions, salary scales, pensions, staff recruitment and induction. | Recommend to Trustees where staff should be employed.  Develop common employment policies.  Recruit suitable staff with appropriate induction/training. | Agree to employment of staff,  Deal with all legal aspects of employment. |
| **Insurance** |  |  |  |
| Insurance for employees | Display certificate of employers’ liability in the property. |  | Arrange employers’ liability insurance.  (Self-employed workers must make their own insurance arrangements.)  Send employment liability insurance certificates to LMs for public display. |
| Buildings and contents insurance | Notify events affecting insurance and potential claims to trustees and insurance agents without delay. | Investigate options for a common policy for buildings, contents and public and employee liability insurance for all property including burial grounds.  Ensure valuation and rebuild costings are available for all properties. | Arrange and pay for buildings, contents and public and employee liability insurance.    Liaise with insurance agent on all insurance matters. |