

Chambers Institution – Examination of Future options Appendix 1

A. CONTINUATION OF CURRENT CHARITABLE APPLICATION	
Advantages	Disadvantages
This option may provide renewed focus for this institution with the appointment of new trustees. In this regard option A may provide a focus for community engagement	No robust business case for the continuation of a charity application exists. The presumption against the council being able to apply for external grant income is erroneous. Eg Wilton Lodge Park in Hawick, proposal re Walter Scott Court Rooms in Selkirk. The functions of the institution are so inextricably linked to the provision of council core services in Peebles e.g. libraries and museums as to make their separation difficult without complicated lease and lease back agreements.
Clear outcome for the Institution	Concern from OSCR as to the "public benefit" to be derived from the current proposal. Application currently on hold.
Continuation of the previous approved direction of travel recognising the significant work completed to set up a separate VAT registration, bank account etc.	A move of the Institution to the charity sector is irrevocable. There is no opportunity to revisit the business model if the charity fails to deliver. It could only passed to another charity
May encourage private benefactors to come forward who may not be willing to assist the Council.	Lack of clarity on the potential sources of funding beyond unspecified private benefaction, gift aid and exemption from corporation tax.
	High level of ongoing involvement required from volunteer Trustees. May be difficult to sustain in the longer term.
	The current trustee groups has largely resigned and concluding the process from its current stasis will be time consuming.
	The fact that the Building <u>must</u> , under the terms of Dr Chambers bequest, remain vest with the council and cannot be disposed of into a separate charity has caused difficulty with the governance model. This resulted in proposals to have two separate classes of trustee only one of whom would have "ownership" of the building. This has caused confusion amongst the Trustees. Without the asset the business rationale for a charity would appear to be fundamentally compromised. The vesting of the building with the Council in perpetuity may cause difficulties for funders who cannot for example take a standard security over the building.
	Trust will continue to be liable for the costs of legal and financial advisors and any irrecoverable VAT arising from charitable status and would be able to claim NDR relief as a registered charity

B. TRUST REVERTS BACK TO SOLE COUNCIL CONTROL - STATUS QUO PREVAILS	
Advantages	Disadvantages
Clear Governance Model for Institution in line with the terms of Dr Chambers bequest. Clear lines of accountability to local people through elected members.	No clear business plan or vision for the institution with a potentially confused management model spilt across Customer services, libraries, Museum and the Burgh Hall.
Retains the institution in public sector ownership and continuity of service.	Under the status quo the future development of the building would not occur. The ability to develop the asset may be constrained by "Council thinking." Use of the current building is constrained by condition and suitability. Problems with disabled access to library and museum are unlikely to be resolvable without very significant investment.
CIT can continue to benefit from special VAT status of the council e.g. recovering all VAT associated with capital works.	Limited resources available to re develop the asset for the benefit of Peebles residents. External funding would be required. The vesting of the building with the Council in perpetuity may cause difficulties for funders who cannot for example take a standard security over the building.
Opportunity to develop a clear business case for the Institution supported by Council Officers from a variety of professional disciplines.	Passes a maintenance burden back onto the council for the upkeep of an ageing grade A listed building.
Avoids the complication of a charitable application and questions over the legitimacy of "public benefit."	Institution remains just one of many council buildings without the resources to manage it to its full potential.
	Work will be required to unwind the current VAT registration and current land registry entries in favour of Tweeddale councillors.
	More difficult to engage with local community and inability to access expertise of non-council trustees.

C. INSTITUTION REVERTS BACK TO SOLE COUNCIL CONTROL - CONSULTANTS APPOINTED TO DEVELOP BUSINESS CASE FOR LOTTERY BID	
Advantages	Disadvantages
Provides the opportunity to establish a properly costed business plan for the redevelopment of the Chambers Institution.	Resources would require to be devoted to support consultants. Potential to use some of the funding in the CIT balances circa £140k to develop the plan.
Business plan could provide the catalyst for the re-development of the building addressing issues of condition and suitability and giving the Institution with a continued high profile role in Peebles as a community asset.	Element of matched funding to support the investment needs identified will be required.
Development of a vision for the CIT and a new business plan will provide the opportunity to provide a focus for community engagement	Council as sole interested party will be trying to oversee the governance of the CIT as one of a number of significant priorities
Council has an established track record of investing in Historic buildings and good experience of working in partnership with redevelopment agencies e.g. Scottish Historic Building Trust in Greenlaw, Heart of Hawick and Abbotsford Trust.	If council is sole interested party may make the establishment of a shared vision supported by local people more problematic.

D. COUNCIL APPOINTS EXTERNAL TRUSTEES TO JOINTLY MANAGE BUILDING - CONSULTANTS APPOINTED TO PREPARE BUSINESS CASE FOR LOTTERY BID TO REDEVELOP THE INSTITUTION	
Advantages	Disadvantages
As C above with the following additions	As C above with the following additions
Would raise the profile of the institute trustees in Peebles.	May lead to issues which have emerged previously due to the status of non-council trustees. May be overcome by reverting to 34 councillors as trustees and then a smaller management body of Tweeddale councillors and locally appointed non council volunteer reps
Opportunity to engage with reps for the local community and to benefit from wider expertise.	May be seen as simply window dressing.
Positive project that local supporters can galvanise around.	Previous attempts to operate the institution with council and non-council trustees have proved problematic and would require to be carefully managed with everyone involved clear as to their respective responsibilities
Potential for a public appeal to raise funding to invest in the Institution	
Potential to develop an agreed shared vision for the institution which benefits all.	