

Basic Information

Title	Transfer of Southlands College to Roehampton University
Contact Name and Details	Revd Dr Mark Wakelin, Secretary for Internal Relationships wakelinm@methodistchurch.or.uk 020 7486 5502 ex 5239
Status of Paper	Final
Resolution/s	60/1 The Conference resolves: i) to consent to the granting of a 125 year lease of Southlands College to Roehampton University; ii) to revoke the trusts declared by the Southlands College Declaration of Trust dated 24 th February 2006, such revocation to have effect from and to be conditional on the granting of the Lease, and to declare that from and after that date the remaining assets formerly held upon those trusts shall instead be held upon the trusts of the Southlands Methodist Trust (Registered Charity No. 1100660).

Summary of Content

Subject and Aims	To bring the recommendations of the April Methodist Council.
Main Points	The Council believes the relationship between Southlands College and Roehampton University should now change. Detailed legal documents have been prepared which reflect the intention. To give effect to the changes, the Conference needs to agree to a lease of the College to the University. Actions which will follow from this are described.
Background Context and Relevant Documents (with function)	Southlands College in South West London was originally a Methodist teacher training college. It is now part of Roehampton University but retains some distinctive Methodist emphases. Council Papers MC/09/70 outlined recent history of relationships between Southlands College and Roehampton University and authorised preparation of legal documents and establishment of a Scrutiny Group. MC/10/79 received the report of the Scrutiny group and proposed recommendations.
Risk	If not proceeded with, failure to fulfil the Deed of Adherence that commits the Methodist Church through Southlands College to work to sustain and develop the work of Roehampton University.

1. Introduction

- 1.1 For over two years the Methodist Council has been considering with the Governors of Southlands College how best to ensure the future of that College, to secure its particular Methodist heritage and ethos, and to fulfil the Methodist Church's commitment through the Deed of Adherence to support and develop the University of Roehampton, of which the College is a constituent part. Methodist Council papers MC/08/90, MC/09/05 and MC/09/70 set out the history of those deliberations. They resulted in a decision at the Methodist Council in September 2009 that the best way forward was to authorise the preparation of a Lease, Governance Deed and Transfer Agreement of Southlands College to Roehampton University. These have now been prepared. To reflect the changes in the relationship with the University which these agreements set out, changes are also needed to the 2006 Southlands Trust Deed and to the 2000 MCCF(S) Trust Deed. This is because the Southlands Governors will cease to exist as a Trustee body but some of their responsibilities (for the Mount Clare property, holding the freehold of the Southlands College site and various Methodist artefacts and intellectual property rights connected to the College) will pass to the revised MCCF(S) trust. To maintain, develop and strengthen the relationship between the University and the Methodist Church a Liaison Group will be established, whose initial terms of reference are given at Appendix 2.
- 1.2 A series of meetings have taken place between Southlands' solicitors, representatives of the Governors and the University to negotiate the agreements. Draft papers have been subject to detailed and robust consideration by the Southlands Governors and the Scrutiny Group established by the Council. The final draft of the papers was unanimously approved by the Governors at their meeting on 3rd March and then presented to the Methodist Council for approval. The Council duly approved the proposals and resolved to make appropriate recommendations to the Conference.
- 1.3 The intention is that, subject to the Conference's approval, the Lease, Governance Deed, Transfer Agreement and all the associated changes to trust arrangements should be completed on 1st August 2010 at the start of the academic accounting year (or as necessary in advance of 1st August 2010).

2. Agreements with the University

- 2.1 These clearly reflect the Heads of Terms the Council approved at their meeting in October 2008. The Scrutiny Group is confident that they fulfil the understanding and expectations of the Council. In particular the Governance Deed provides for the preservation of the name, ethos and identity of Southlands College. It is envisaged that this will be achieved by the appointment of a Head of College and a Methodist chaplain, both posts to be funded and housed by the University. The role of the Southlands Liaison Group as the communication channel between the University and the Church is established. Provision is made for archives and a list of excluded assets (largely artefacts given to Southlands College such as portraits of former principals) to be retained under Methodist control. Appended to the Governance Deed are the University's current Chaplaincy Policy and a paper setting out the Role of the Methodist Chaplain. Appended to the Lease is a Use of Chapel Policy preserving Methodist control over the Chapel's use. Two accompanying Side Letters contain a number of assurances that certain present practices in the College will be respected and continued. Any Conference member wishing to see the full text of these documents should contact the Revd Gareth Powell at powellg@methodistchurch.org.uk.
- 2.2 During the negotiations the Methodist negotiators have sought to preserve the principles of the existing Trust provisions, including clause 3 of the 2006 Southlands Trust Deed, which provides that: "The nature and character of the religious instruction that shall be given on the Property or any other property forming part of the Trust Property shall not be contrary to the principles and doctrinal standards of the Methodist Church as interpreted by the Conference". While

recognising their responsibility for preserving this principle, the Methodist negotiators have also sought not to prevent the University from carrying out its proper activities (such as the academic study and exposition of other religious and non-religious positions). Consequently, a number of relevant references have been made in the legal documents, reflecting the constraints on both sides. One specific application has concerned the Muslim Prayer Room that has been operating within the College under the auspices of the University's Chaplaincy and other policies, and which might have been thought to represent a breach of the existing Trust provision referred to above. However, it should be noted that, first, under its need to establish such a facility, the University approached Southlands because of the Methodist College's reputation for greater inclusivity, hospitality and catholic spirit. Secondly, the facility was only agreed to after the then Chair of Governors had discussed the matter with the then Connexional Secretary for Inter-faith relations. Thirdly, now that use of the Muslim Prayer Room has been established, the Vice Chancellor indicated that terminating such use could have negative consequences, which the Governors considered inadvisable to provoke. Fourthly, accordingly its use has been accepted but limited according to the narrow provisions of the second Side Letter (which also serves to remind against any other possible future breaches of this nature).

3. Changes to the Governance Arrangements and Trust Deeds

- 3.1 The agreements with the University will change the role of the Methodist Governors/Trustees at Southlands. They will no longer need to have concern about buildings, showers, catering contracts and vacation bookings, and it is proposed that the remaining functions of the Governing body will be taken over by the Southlands Liaison Group or by the revised MCCF(S) Trust. The Southlands College Methodist Trust will therefore cease to operate. Documents have been drawn up and tested through the scrutiny process and agreed by the Southlands Governors and the Scrutiny Group. Any Conference member wishing to see the full text of these documents should contact the Revd Gareth Powell at powellg@methodistchurch.org.uk.
- 3.2 The 2006 Southlands Trust Deed establishes the role and responsibilities of the Southlands College Governing Body. The Council recommends to the Conference that this be revoked and a Declaration of Trust enacted to transfer the freehold of the Southlands College site and other residuary rights to the revised MCCF(S) Trust.
- 3.3 The Council has agreed that, subject to the Conference adopting the recommendations set out in 3.2 above, it will appoint a Southlands Liaison Group (SLG) to act with delegated authority from the Council in maintaining the relationship with Roehampton University and for ensuring observance of the Governance Deed.
- 3.4 The following names were welcomed by the Council as possible initial members of the Southlands Liaison Group from 1st August 2010. Some are existing Governors to give continuity. The usual term of service will be six years but those who are existing Governors have agreed to a shorter term that both reflects the service they have already given and ensures a steady pattern of renewal for the Group.

Chair Revd Dr David Deeks former General Secretary and Secretary of the Conference (6 years from 2010)

Professor Yvonne Guerrier – Head of Southlands College

Revd David Innes – Chaplain of Southlands College

A Senior Member of Academic Staff based in Southlands College nominated by the University
– To be appointed

Representative of Richmond & Hounslow Circuit – John Logan (six years from 2010)

Graduated from Southlands College in 1981 and taught Religious Education for ten years. Became a Lecturer at La Sante Union College, Southampton, and then Director of the British and Foreign Schools Society National RE Centre, Brunel University. Currently Headmaster at St Mary's and St Peter's CE Primary School for the last six years. Member of Hounslow Methodist Church and Local Preacher.

Representative of District/Connexion – To be appointed

Stephen Ludlow (appointed 2007) (three further years)

Estate Agent Ludlow-Thompson, Member Putney Methodist Church. Currently Foundation Governor Southlands College, Member of the Council of Roehampton University representing Southlands College.

Dean Sutton (appointed 2008) (four further years)

A retired Chartered Surveyor who is currently a Foundation Governor of Southlands and a member of the University's Estates Committee. An active member of the Croydon Circuit with property experience in ecclesiastical, educational and institutional matters.

Nigel Fairhurst (appointed 2008) (four further years)

Nigel is a Chartered Accountant with a wide range of experience having held finance director roles in a number of different businesses covering the retail, publishing, professional services and property sectors. He is a member of Putney Methodist Church and has been a Co-opted Governor since September 2007 and a Foundation Governor from September 2008. He is also treasurer of the local scout group.

Elizabeth Ovey (appointed 2009) (up to five further years)

Practising barrister; member of connexional Law and Polity Committee; circuit and church steward; previously Foundation Governor 1996–2003, and currently from 2009.

3.5 As agreed at the Council meeting in September 2009, the MCCF(S) Trust will have updated charitable objects and responsibilities. The existing body has a remit primarily focussed on supporting the educational, chaplaincy and other charitable work of Southlands College. The revised Trust will continue to support such work and the reflection of Methodist values and ethos within the College community. However, it will now become more explicit that the Trust is also a resource for the wider Methodist community and public in Britain and abroad and one that, within a higher education environment, helps develop Christian and Methodist understanding and appreciation of contemporary issues of local, national and global significance for church and/or society. The revisions proposed to the 2000 MCCF(S) Trust Deed include the proposal that the Trust should henceforward be known as The Southlands Methodist Trust (SMT). Part of the new responsibilities of SMT will be to manage the freehold of the College site, assets excluded from the leasehold transfer of the College, and Mount Clare. These assets, together with the sale proceeds of the former Chaplain's manse at Enmore Road, will add value to the Trust, but also bring increased management responsibilities for its Trustees.

3.6 It is proposed that the members of the Southlands Liaison Group, with the exception of the Chaplain and the nominated senior member of academic staff based in the College, should also be Trustees of SMT. With those exceptions, Council approved the names listed at 3.4 above as potentially the initial Trustees of SMT.

3.7 The accounts of the Southlands Methodist Trust will continue to be consolidated into the Methodist Church Fund accounts.

3.8 Some of the existing Governors, including Revd John Cooke who has acted an interim Chair of

Governors for 2009/10 while the negotiations with the University are concluded and new governance arrangements come into effect, will retire on 31st July 2010. The Council thanked them for their services.

4. Mount Clare

4.1 Mount Clare is a Grade 1 listed building overlooking Richmond Park. It is on a separate though neighbouring campus and is not an integral part of the College estate. It was purchased at the request of the University that rents it to provide 180 bed spaces of student accommodation. Mount Clare was purchased with surplus of the proceeds of the sale of the old Southlands College site. Its book value at the end of July 2010 will be £3,357,274 with market valuations ranging from £2.5–6 million. As at end of March 2010, the property has loans outstanding on it of £2,068,000. At its meeting in September 2009 the Council accepted the recommendation that Mount Clare should not be transferred to the University but rather transferred from Southlands College to SMT. A Declaration of Trust to achieve this has been prepared and scrutinised by the Scrutiny Group and the existing MCCF(S) Trustees. Any member of Conference wishing to see the full text of it can contact the Revd Gareth Powell at powellg@methodistchurch.org.uk Council approved this investment property being transferred to SMT.

4.2 Southlands College's outstanding loan on Mount Clare is with HSBC. This loan has been secured partly on the College building and partly on the Mount Clare property. At a meeting on 5th February HSBC agreed to the loan being transferred to SMT and for it to be secured only against the Mount Clare property. The University has given the necessary assurances that they wish to continue to rent Mount Clare as student accommodation on a full repairing lease for the term of the loan and that the rental income from this arrangement will be sufficient to service the HSBC loan and towards the end of the loan period generate a surplus that SMT can apply to its wider charitable purposes. Technically, the transfer of the loan will be effected by a discharge of the existing borrowing and mortgage from funds to be lent by HSBC to SMT and this transaction (together with the transfer of Mount Clare to SMT) therefore needs to take place before the revocation of the trusts declared in the 2006 Trust Deed, but after the amendment of the 2000 Trust Deed. Under the amended 2000 Trust Deed, the trustees of the SMT will have power to enter into the new secured loan without needing the approval of the Council and so no formal resolution seeking approval is included here. Confirmation of the revised loan terms when agreed will be reported to the Methodist Council (or the Strategy and Resources Committee acting on its behalf).

4.3 A further loan from the University that part funded the purchase/renovations of Mount Clare will be paid off from surplus balances within the College account before the transfer of the College to the University takes place.

*****RESOLUTION**

60/1. The Conference resolved:

- i) to consent to the granting of a 125 year lease of Southlands College to Roehampton University;**
- ii) to revoke the trusts declared by the Southlands College Declaration of Trust dated 24th February 2006, such revocation to have effect from and to be conditional on the granting of the Lease, and to declare that from and after that date the remaining assets formerly held upon those trusts shall instead be held upon the trusts of the Southlands Methodist Trust (Registered Charity No. 1100660).**