**Merger of Drey and Scout group**

**DUE DILIGENCE QUESTIONNAIRE**

**Why have you been sent this questionnaire?**

This questionnaire is for consideration by your local Scout group charity but will be collected centrally by The Scout Association (**TSA**).

It is proposed that the Squirrel administration carried out by The Northern Ireland Squirrel Association (**NISA**) and the local Dreys in Northern Ireland will be carried out in the future by TSA and local Scout groups in Northern Ireland, with existing Squirrel volunteers being welcomed into TSA.

Your Drey is therefore being asked to merge into your corresponding local Scout group. This means that the Drey will transfer all of its assets, property and activities into the Scout group. After the transfer, the Squirrel administration/activities will be run through the Scout group. To do this, the Drey and Scout group need to work together to consider what assets, property and activities the Drey holds which will need to be transferred. This is known as ‘due diligence’.

**Why is this necessary?**

You might instinctively think that your Drey doesn’t have any assets, but it is important to go through this process to make sure. For example, the Drey may have cash in a bank account or some equipment in a storeroom. The local Scout group will need these assets to operate the Squirrels activities going forward and support the existing Drey Leadership Team in continuing to provide Squirrels.

The due diligence process has two important purposes:

1. It allows the trustees of the Drey and the Scout group to comply with their trustee duties to manage their charity’s resources properly and act in the best interest of their charities; and
2. It will reveal whether any particular legal steps need to be taken in order to give effect to the merger (for example if there is land to be transferred).

**How to complete this questionnaire?**

This questionnaire will need to be completed by each local Drey. You could nominate one or two key individuals within the charity to collate the information and respond to the questionnaire, and then submit your [answers using this online questionnaire](https://app.smartsheet.com/b/form/aaa723e66509493d8d8635c5a3cecec2).

All of the questions may not apply to your Drey. For example, if you do not own, use or otherwise have an interest in any property, then you do not need to answer the follow-up questions about property. However, if you do own, use or otherwise have an interest in any property (such as use of a local community hall or church hall), please respond to the relevant follow-up question(s).

Where you are uncertain of the scope of any question, or the relevance of any information or document, please provide too much rather than too little information.

Once you have completed the questionnaire, [please submit it to TSA using this online questionnaire](https://app.smartsheet.com/b/form/aaa723e66509493d8d8635c5a3cecec2). TSA will pass your response to your corresponding group for consideration. TSA will also prepare a template Transfer Agreement based on responses from Dreys across Northern Ireland.

**The deadline for completion of the questionnaire is 18th April 2021**. Please respond earlier than the deadline if at all possible.

**What if I have questions?**

If you have any questions about this process, please contact:

Alan Hands (TSA contact) – alan.hands@scouts.org.uk

Marjorie Guiler (NISA) – squirrelinfo@scoutsni.org

Jacqui Berryman (NISA) - squirrelinfo@scoutsni.org

You can also find [further information and additional support here](https://www.scouts.org.uk/about-us/strategy/our-pillars-of-work/early-years/bringing-squirrels-ni-and-scouts-together/). If you have any further questions about bringing Squirrels NI and the Scouts together [then submit questions here](https://app.smartsheet.com/b/form/80877952a3614c3a848df0f135648df9). We will be hosting a webinar on the **24th March 2021** [that you can register for here](https://scouts-org-uk.zoom.us/meeting/register/tJ0tduuurD8oH9Z-TdWZBSV722ahYpQXsMMW).

**Questionnaire**

Please answer the following questions about your Drey in the ‘response’ column:

| **Question No.** | **Question** | **Response** |
| --- | --- | --- |
| **1** | **About your Drey** |  |
| 1A | What is the name of the Drey? |  |
| 1B | What is the name of the Scout group you would merge with? |  |
| 1C | Who is completing this questionnaire on behalf of the Drey? Please provide your:* Name
* Role (within the Drey)
* Email
* Telephone number
 |  |
| 1D | Trustees*This information helps us understand if there are any trustees working across the Drey and the Scout Group** Please provide full names of the current trustees of the Drey;
* Please confirm if any changes of trustees are expected to arise between now and 1 September 2021; and
* Please indicate if any of the current trustees are also trustees of a Scout group or another Drey.
 |  |
| 1E | Please confirm if the Drey currently uses the NISA model constitution. ***If not, please upload a copy of the constitution to the end of the online questionnaire.***  |  |
| 1F | Is the Drey registered with the Charity Commission in Northern Ireland? ***If yes:*** * Please give its charity registration number.
* Have you had any correspondence with the Charity Commission for Northern Ireland other than at registration or when filing annual reports?
 |  |
| **2** | **Contracts** |  |
| 2A | Does the Drey have any contracts with third parties? If not, please go to ***question 3.*** |  |
| 2B | Please give details about these contracts including:* Contract Type: (Hall Hire Agreement, Contract with a supplier e.g. cleaner, grounds keeping, storage space, utilities, Funding Agreement under which the Drey gets grant funding, Other - please give details)
* Value: How much does the Drey pay/receive under the agreement each year?
* Term: How much notice needs to be given to bring the Agreement to an end?
* Notes: Please note anything which the Scout group should be aware of in relation to the contract e.g. if it is essential to the Drey’s activities or it has any provisions you’ve found onerous
 |  |
| **3** | **Finances** |  |
| 3A | Does the Drey have any outstanding debts or liabilities?***If yes, please provide details including:*** * The amount outstanding
* Who the debt is owed to
* The date by which this must be paid and
* Whether the Drey has sufficient funds to pay it.
 |  |
| 3B | Are there any items of significant expenditure (over £100) to which the Drey is committed? For example, the cost of an upcoming trip or new equipment. ***If yes, please provide details including:**** The purpose of the expenditure
* The level of cost involved
 |  |
| 3C | ***Please upload a copy of the following documents to the end of the online questionnaire:**** The annual budget of the Drey (if one exists)
* Most recent Annual Accounts
* Independent Examiner’s Report
* Trustees’ Annual Report
 |  |
| **4** | **Fundraising**  |  |
| 4A | Are there any regular payments made to the Drey (for example regular givers who make their donation by way of direct debit or standing order) **other than** payments of subs from the parents of members? |  |
| 4B | Has the Drey received any legacy (where funding is left to the Drey in someone’s will) income in the past 5 years? **If yes, please provide details**. |  |
| 4C | Are any Gift Aid declarations made in favour of the Drey? **If yes, please give details of** * The number of gift aid declarations the Drey currently has and
* Upload a copy to the end of the online questionnaire of the letter from HMRC confirming charity tax reliefs.
 |  |
| **5** | **Assets**  |  |
| 5A | Do you have any reason to believe that any of the Drey’s assets (including cash or land) are held as either restricted funds or permanent endowment? If yes, please give details. “**Restricted funds**” are donations/ grants given to the charity on the basis that they will be spent only on a particular purpose. The restriction is legally binding and must be complied with. This is different from “Designated funds” which are unrestricted funds that have been earmarked or designated for a particular use by the trustees. “**Permanent endowment**” is land, investment or other assets which are given to a charity on the basis that it must hold the asset permanently and can only spend the income earnt from the assets and not the capital.  |  |
| **6** | **Safeguarding** |  |
| 6A | Have there been any safeguarding concerns, personal injury incidents (aside from minor slips and trips) incidents or abuse claims that the trustees are aware of at any time in the Dreys existance? ***Please give details*** of any concerns or incidents that you are aware of even if these pre-date your involvement as trustee. ***If so, please provide full details (but do not include names) and upload any documentation to the end of the questionnaire.***  |  |
| 6B | Are all current volunteers Access NI checked? |  |
| **7** | **Properties** |  |
| 7A | Does the Drey own, use or occupy any property? If not, please continue to ***question 8***. |  |
| 7B | ***Please give details about these contracts including:**** Name of the property(s)
* Your interest in the property(s):
	+ Freehold (i.e. the Drey owns the property outright),
	+ Leasehold (i.e. you have a formal lease to use the property) or
	+ Licence (i.e. you have a more informal right to use the property which is also used by other organisations, such as renting use of a space regularly or being given the space in kind)
 |  |
| 7C | Where your interest in the property is “Leasehold” or “Licence”:* Do you have a written agreement in relation to your use of the property? If so, please upload a copy this to the end of the online Questionnaire
* Is the landlord’s/licensor’s permission needed for transfer of the lease or licence/rent to the Scout group?
 |  |
| 7D | Where your interest in the property is “Freehold” or “long term Leasehold Property” (for example it is for a term more than 25 years): * Is title to the property registered or unregistered? If registered, please give the title number.
* Is the property mortgaged or subject to a charge?
* Who holds the title deeds to the property?
* Have elections been made to charge VAT on leases granted to and by the Drey (i.e. does the Drey have to pay VAT on the rent)?
 |  |
| **8** | **Physical assets/equipment**  |  |
| 8A | **Please give brief details** of any non-cash assets which the Drey holds over the value of £50 e.g. equipment for activities, tents, minibus. |  |
| **9** | **Litigation and Disputes** |  |
| 9A | Are there any existing or threatened action, litigation or formal dispute resolution or arbitration relating to the activities of the Drey (whether as claimant or defendant) or any circumstances which may give rise to litigation, formal dispute resolution or arbitration? |  |
| 9B | If so, please provide details. |  |
| **10** | **Data** |  |
| 10A | Please confirm that the Drey complies with the NI Squirrel Data Protection Policy and procedures: <https://www.scoutsni.org/squirrels/drey-support-material>  |  |
| 10B | **Please provide details** of any personal data held by the Drey other than registers, details of members and parents and details of volunteers. |  |
| **11** | **Insurance** |  |
| 11A | ***Please provide details*** of current insurance policies*This helps us understand what your current level of protection is and what level of protection is required for you in the future.** All existing insurance policies under which the Drey is covered.
* All current claims made under any of the Drey’s insurance policies.
* Any anticipated or prospective claims which may be made (including the possibility of any historic claims from a particular class of persons).
* Please upload any and all insurance documents you have on record to the end of the online questionnaire
 |  |
| 11B | ***Please provide details*** of all historical insurance policies for which you have records of:* Period of cover
* Insurance provider
* Please upload any associated documents you have available to the end of the online questionnaire
 |  |
| **12** | **Employees**  |  |
| 12A | Does the Drey have any employees or paid consultants? If not, please continue to ***question 13****.* |  |
| 12B | * Please provide details of all employees employed by the Drey including their:
	+ Name
	+ Address
	+ Age
	+ length of continuous service
	+ salary (amount and date and frequency of payments)
	+ contractual entitlement to benefits and periods of notice to be given by the Drey
	+ Confirm your understanding that consultation with employees to be transferred to the Scout group should be commenced as soon as possible in order to comply with the Transfer of Undertakings (Protection of Employment) Regulations 2006.
* Please provide details of any self-employed contractors routinely engaged by the Drey.
* Identify any claims, disputes, litigation or arbitration relating to employees or ex-employees of the Drey.
* Confirm whether or not you have investigated what changes are needed to stakeholder pensions or other pension arrangements in relation to the transfer of the Drey to the Scout group. It is crucial that the pension implications of the transfer are addressed at an early stage.
 |  |
| **13** | **Other**  |  |
| 13A | Are there any matters that have not been covered earlier in this questionnaire, or that you would like to emphasise or detail further, that are important for the operation of the Drey and that you believe should be brought to the attention of the Scout group Trustees before agreeing to merge? |  |

**Checklist - Documentation for uploading to online questionnaire**

* 1C – Alternative consultation (*if applicable)*
* 3C – Drey annual budget *(if one exists)*
* 3C – Most recent Drey Annual Accounts
* 3C – Independent Examiner’s Report
* 3C – Trustees Annual Report
* 4C – Copy of letter confirming HMRC charity tax relief *(if applicable)*
* 6A – Full details (but do not include names) and documentation of any safeguarding concerns, personal injury incidents or abuse claims *(if applicable)*
* 7C – Leasehold or licence property written agreement *(if applicable)*
* 11A – Current insurance policies and current insurance claims
* 11B – Historical insurance policies