



As part of the AGM agenda we will discuss and vote on **Visit Exmoor** becoming a **Community Interest Company (CIC)**. This is a really important issue which could give us a secure future. We want to provide you with plenty of information prior to the meeting so you can make an informed decision.

Q What is a CIC?

A CIC is a special type of limited company which exists to benefit a community rather than for private profit or personal gain. To set up a CIC, you need an 'asset lock'- a legal promise stating that the company's assets will only be used for its social objectives, and setting limits to the money it could pay to shareholders if shares were issued. We're proposing the 'limited by guarantee' option for Visit Exmoor as the share option would be too complicated. An incorporated CIC gives us all the benefits of a limited company and the opportunity to make clear our intention to grow and develop the business which is benefitting an identified community – VE members and viable tourism in the Greater Exmoor area.

Q Why not a Charitable Incorporated Organisation (CIO) or charity?

A Your Committee has been working on this initiative for some time and has taken specialist legal advice as well as benefitting from knowledge of VE members with relevant experience. On your behalf we are confident that this is the best, simplest, vehicle to take us forward. It has the advantage of being relatively quick to set up and will enable us to compete on a level playing field with other Destination Management Organisations for central funds, to boost tourism for Exmoor. Anyone who wants to go into detail on the pros and cons is welcome to discuss with Max, honsec@visit-exmoor.co.uk in advance.

Q Can you explain the key advantages?

A The social aims allowed and the ways the company can operate are wider for a CIC than for a charity. The 'Community Interest Test' applied to CICs is wider than the equivalent 'Public Benefit Test' which applies to charities, giving us more scope. The CIC model is all about social enterprise. For us, this is vitally important and the social, communal, element fits well with what we're trying to achieve.

Q Why the change?

A This is the result of five years or more development of Visit Exmoor to the body it is today. Our local authorities indicated some time ago that they would be reducing the amount of financial support they could offer us annually so we decided to become more self-supporting in a planned way, rather than rushing into anything. It hasn't been easy, with the economic problems faced by the region, our industry and latterly by the national lockdown. However, this has been a strategy which we are now on the point of fulfilling and we have a strong and talented Committee willing to go to the next stage.

Q Why can't we stay as we are?

A Our members quite rightly want a top quality service at a price they can afford in our marketing and PR activities. This has been possible under the current arrangements with significant local authority and Exmoor National Park funding but that won't be guaranteed in future. Our only options would be to raise subscriptions and increase the cost of campaigns but we don't want to exclude some of our members OR to do less, which is not going to help any of us. We need to grow stronger for a long-term future and have the necessary confidence because we've been planning for change for a long time.

Q What does this mean for me?

A We don't plan any changes in the way we provide services or keep in touch with our Visit Exmoor members but you will see clear benefits for your business as we expand our activities. We will always listen to members on how we could improve the service going forward.

Q How many people on the board and how will they be chosen?

A We anticipate an appointment of seven directors in addition to our current local authority/National Park observers. You will see adverts appearing for the vacancies shortly. If you feel you have the time to bring your expertise to our board, please apply.

Q How will the board and members be protected?

A A clear advantage, as for other businesses operating as a limited company, is limited liability. This provides security for the Directors and for anyone who donates their time free of charge for the greater good of Exmoor at the same time opening up a wide range of possible social aims and specific focus on social enterprise.

Like any standard limited company, a CIC must be registered at Companies House. Unlike other companies, a new CIC must also submit form CIC36, signed by all the prospective directors describing the proposed social purpose of the company and providing various other details. This has to be approved by the CIC Regulator.

Accounts will need to be filed each year and we will need to create and maintain company registers and file information with Companies House.

Q How do you know it's going to work?

A We are aware of other DMOs across the country and some local attractions who have become CICs who are operating very successfully including **Visit Devon, Visit Somerset and Visit Cornwall**. CICs have a Regulator so we will be scrutinised and we'll ensure we run it professionally with a level of governance designed to protect the business.

Q Will the District Council and Exmoor NPA continue to support us financially?

A We have had fantastic commitment from our local authority partners over many years and we have benefitted hugely both from local stakeholder contributions and latterly from the Hinkley Tourism Development Action Plan. Realistically, our partners are going to be challenged with less available funding post Covid-19 but they are very committed to the CIC project and it is up to us to justify how our tourism developments will enable them to fulfil their local economic aims if they join with us.

Q Will the CIC be subject to tax?

A CICs are taxed in the same way as normal companies.

Q Where is most of the money going to come from?

A Unlike charities, a CIC will normally not be dependent on donations and fundraising as it will have a mix of income including contracts, trading income and grants. We'll still need your subscriptions and involvement in promotional campaigns. We'll continue to devise local initiatives you may like to support and we can also trade in a different way. Importantly, Visit Exmoor CIC will soon have the added advantage of being eligible for grants from government and other bodies which we can't access currently as we don't meet their requirements in terms of being a legal entity. Having national recognition will be hugely important. The future is much brighter!

Q What is the voting process?

A How will voting work on Zoom?

We continue to follow Government guidelines and the AGM will be run virtually as a zoom session.

We will adopt a simple process to vote where required:

- The chair will clearly state that we are about to vote.
- The chair will confirm that **silence will be taken as acceptance**, this means if you are in agreement with the point being voted on you should **do nothing**.
- If anyone wishes to vote **against** the point being raised they will be asked to **raise their hand** and keep it raised until the count has been confirmed (using the raise hand function on zoom or by physically raising their hand on screen).

The hon-sec will count any objections and verbally confirm the outcome of the vote to the AGM.

- This will then be documented in the minutes.