



# GLEN URQUHART CHILDCARE

Scottish Charitable Incorporated Organisation SC024692

## **ABEYANCE/CLOSURE PROCEDURE**

The following is the procedure that should be followed in the event of the Centre considering abeyance or closure.

Whilst the centre strives to meet the childcare needs of the community, it is possible that issues may arise which lead to a decision to close the service. These could be:

- a lack of sustainability e.g. too few children registering
- difficulty recruiting a management committee or staff
- staff not complying with SSSC registration requirements

In this event and following a period of consultation with relevant agencies and organisations such as the Care and Learning Alliance and the Childcare Partnership, prior to making a final decision the centre will support staff, volunteers and users in the following ways:

- The Trustees and the community should ensure they have explored all possible ways to maintain the service:
- Advertise open days
- Consider altering your group's Memorandum and Articles of Association (if you are a Company) or [Constitution](#) if you are a voluntary association to widen membership and encourage members of the community outwith your parent base to join the committee e.g. past parents, people with specific skills needed
- Amalgamation with another group
- Review of financial position
- Consider CALA staff managed or fully managed (if in Highland)
- Contact Childcare and Family Resource Officer for your area.

If, after these steps, the decision to close is taken you must follow the procedure outlined below:

### **Abeyance/Closure Procedure**

- Consult the Constitution or Memorandum and Article of Association (hereafter referred to as the guiding document) for guidance as to how decisions should be reached.
- An Extraordinary General Meeting (EGM) should be convened (refer to guiding document regarding required notice/ attendance/ quorum). The available options should be highlighted in a letter to each member of the group prior to the meeting (minimum of 3 weeks in advance) and decisions made and voted upon regarding the way forward. The group's accounts should also be presented at the meeting.
- Check your guiding document as to membership of the group and ensure all are notified.
- The committee will ensure that at no time is the group operating insolvently.
- In the event of a failure to secure funding/ staff/ committee to continue operate the service, the Trustees will ensure that the relevant people are notified in good time.
- Staff will be given required statutory notice and any payments due such as holiday pay accrued.
- Staff will be given relevant advice should the organisation be unable to meet any redundancy payments due.
- The group will ensure where possible that all outstanding bills are paid in full and that all monies due to the group are collected.
- Staff will be directed to Citizen's Advice and Job Centres for appropriate advice on benefits and employment/training opportunities.
- Volunteers will be given details of volunteer support agencies.
- Users will be directed to the Family Information service for advice on alternative childcare in the area.
- In disposing of the assets of the group such as play equipment, the Trustees will follow the guiding document and if appropriate distribute the assets to charities with similar aims, after settlement of any outstanding debts (see Disposal of Assets below). Equipment and resources may require to be sold to pay any debts.
- The committee will ensure they inform Care Inspectorate, SSSC, OSCR (Charities Regulator) Highland Council, Inland Revenue, any other funding bodies/ grant giving bodies as appropriate.
- Effective and appropriate arrangements will be made for the storage of relevant documents /paperwork relating to financial details/accounts, accident books, child concerns, etc. as required. A suitable dry location will require to be agreed to store these safely and confidentially.

### **Staffing issues**

Written notice should be given to staff in accordance with their contracts. In general:

<b>Length of continuous employment</b>	<b>Notice Period</b>
During the first four weeks of employment	1 days' notice
During probationary period	1 week
After 4 months continuous employment but less than 5 years	4 weeks' notice
After five years continuous employment but less than 12 years	One week; notice for each year of continuous employment
12 years' continuous employment or more	12 weeks notice

Any holiday pay accrued should be paid to the employee. Contact payroll services at CALA if you require help calculating this.

Redundancy payments are due to staff who have been employed continuously for at least two years since they turned eighteen years of age.

Employees should receive a final salary payslip and P45.

### **Insolvent employers**

If, as an employer, the organisation is declared insolvent or cannot pay statutory redundancy pay, employees should be advised they can apply for a direct payment from the National Insurance Fund. To do this staff must first write to the employer asking for statutory redundancy pay. If the employer is unable to pay then the employee should complete a RP1 form available from the Insolvency Service.

You should contact ACAS for advice if required on **0300 123 1100** (8am-8pm Monday to Friday and 9am-1pm Saturday).

### **Finance**

All the group's debts should be paid including wages, holiday pay, redundancy payments, rental, utilities bills, etc. It may be necessary to sell equipment to meet these costs.

All efforts should be made to collect monies such as fees etc. due to the centre.

Any surplus funds should be distributed as stated in your constitution under 'dissolution'.

Once all financial transactions have been completed the centres accounts should be finalised and checked by an independent auditor, as per the usual A.G.M. arrangements, and bank accounts should be closed.

### **Disposal of assets**

#### **Voluntary group**

As a charity, these will be passed to another charity in your area. These should not be distributed to group members.

## **Paperwork**

**All documentation which is required to be retained must be stored in a safe place.**

- Records of attendance/ enrolment forms to be kept for a reasonable timescale
- Children's personal records e.g. medical/ additional support needs to be kept for 10 years
- Children's Profiles/ observations should be given to parents to pass to receiving nurseries/ playgroups or school
- Accidents, incidents should be kept for 5 years and insurance certificates for 40 years
- Employment records to be kept for 6 years
- Accounts/ financial records current + 6 years previous to be kept
- Pension Scheme records should be kept for 12 years following the ending of any benefit payable under the scheme.
- Copies of minutes to be kept for 5 years
- AGM minutes – there is no legal obligation to retain these, but for information these should be kept for as long as the group exists.

## **Organisations to be informed**

- Care Inspectorate up to 3 months minimum notification required
- OSCR – 42 days notification required. Please note that if the group is moving to CALA management it is the responsibility of the committee to ensure the group has met OSCR requirements including independently verified final accounts
- Inland Revenue
- Local authority (see service level agreement)
- Insurance Company (a partial refund of insurance premium may be payable – contact CALA)
- Utility companies as required
- NMRU (Nursery Milk 0844 991 4444) / Cool Milk
- SSSC
- Bank / Building Society etc. Any funders or grant making bodies if you have unspent grants as they will likely request a refund of any remaining grant.

## **Others to be notified will include:**

- Parents
- Local school (s)/ Toddler groups, etc.
- Other professionals e.g. Health Visitor, etc.
- MITIE/High School
- Other suppliers e.g. fruit, etc.
- **Volunteers** Advice can be sought from local volunteer services in each of the areas below.

<b>Area</b>	<b>Address</b>	<b>Tel No</b>
Badenoch & Strathspey	VAH 2 Inverewe Grampian Road Aviemore	01479 873445
Caithness	CVG Telford House, Williamson St WICK	01955 603453
East Sutherland	VGES Alba, Main St GOLSPIE	01408 633001
Inverness	CVS 1A Millburn Rd INVERNESS	01463 714303
Lochaber	VAL An Drochaid Claggan Road Fort William	01397 706044
Moray	VAM 30-32 High St ELGIN	01343 541713
North Sutherland	CVS NORTH Naver teleservice centre Bettyhill Thurso Caithness Scotland KW14 7SS	01971 511783
Ross-shire	RVA Unit 1-2 Bridgend Rd DINGWALL	01349 862431
Skye and Lochalsh	CVS Tigh Lisigary Bridge Rd PORTREE	01478 612 921

Reviewed by: Sian Tembo (Manager)  
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