

**CHARITABLE TRUSTS, BEQUESTS AND TRUST FUNDS**

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**1.0 EXECUTIVE SUMMARY**

**1.1** The Bute and Cowal Area Committee are Trustees for a number of Charitable Trusts, Bequests and Trust Funds. Historically a report has been brought to the Area Committee on an annual basis with recommendations for distribution.

**1.2** This report provides details of a number of the Trusts and Bequests that remain active in the Bute and Cowal Area and seeks agreement regarding their ongoing management.

**2.0 RECOMMENDATIONS**

**2.1** The Bute and Cowal Area Committee are asked to:

1. note the financial position of all the Charitable Trusts, Bequests and Trust Funds as of July 2021, and
2. agree that a moratorium be placed on all charities and trust funds that have historically been awarded to Council Departments and Allied Partners that have less than £50 available for distribution.

## **CHARITABLE TRUSTS, BEQUESTS AND TRUST FUNDS**

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### **3.0 INTRODUCTION**

3.1 The Bute and Cowal Area Committee are Trustees of 12 Charitable Trusts, Bequests and Trust Funds with an estimated unrestricted balance of £19,130. This report provides information on proposals in relation to the ongoing management of these funds.

### **4.0 RECOMMENDATIONS**

4.1 The Bute and Cowal Area Committee are asked to:

1. note the financial position of all the Charitable Trusts, Bequests and Trust Funds as of July 2021, and
2. agree that a moratorium be placed on all charities and trust funds that have historically been awarded to Council Departments and Allied Partners that have less than £50 available for distribution.

### **5.0 BACKGROUND & DISTRIBUTION ARRANGEMENTS**

5.1 Historically reports are prepared and submitted to the Area Committee outlining the status of each of the funds, proposed distribution method(s) and the amounts available.

5.2 Of the 12 funds for which the Area Committee are trustees 6 have historically been awarded to Council Departments and allied partners (for example Roads and Amenity Services).

5.3 In September 2020 the Area Committee agreed that those Funds that hold less than £1

burden and allow interest to accumulate to ensure maximum community benefit at a later date.

5.4 Members should note that one bequest, the Bute Education Trust, remains in arrears. A moratorium has been placed on further awards being made until such time as sufficient interest has accrued. In the meantime Rothesay Academy have been advised that a request for funding can be made to the Rothesay Common Good fund.

5.4 A small number of funds (6) have bespoke distribution methods which are generally undertaken by Legal and Regulatory Support, this process will continue. Officers will continue to monitor the expenditure from these funds, should expenditure not provide a community benefit Officers will explore what remedial action can be taken.

## **6.0 CONCLUSION**

6.1 This report has outlined the current position in terms of financial and distribution arrangements of the funds/bequests held in trust by the Area Committees meeting our obligation of ensuring transparent and effective governance.

## **7.0 IMPLICATIONS**

7.1 Policy	None.
7.2 Financial	None.
7.3 Legal	Area Committees, as Trustees, must ensure that the distribution arrangements comply with the terms of the funds/bequests, failure to do so would result in the Council being liable.
7.4 HR	To proceed with reorganisation, in terms of section 10 or 11 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 would require the allocation of Officer time.
7.5 Fairer Scotland Duty	None.
7.5.1 Equalities protected characteristics	None.
7.5.2 Socio-economic Duty	None.
7.5.3 Islands	None.
7.6 Risk	None.
7.7 Customer Service	None.

**Douglas Hendry**

**Executive Director with responsibility for Legal & Regulatory Support**

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**Appendix 1 – Trust Funds and Bequests.**

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