

CHARITABLE TRUSTS, BEQUESTS AND TRUST FUNDS

3.0 INTRODUCTION

3.1 The Helensburgh and Lomond Area Committee are Trustees of a number of Charitable Trusts, Bequests and Trust Funds. This report provides information on proposals in relation to the ongoing management of these funds and seeks agreement on distribution proposals.

4.0 RECOMMENDATIONS

4.1 The Helensburgh and Lomond Area Committee are asked to:

1. note the financial position of the Charitable Trusts, Bequests and Trust Funds as of August 2022,
2. note the financial position of the Baird Prize Fund as of August 2022,
3. agree all other charities and trust funds are awarded on the basis outlined in paragraph 5.5 and defined within appendix 1, and
4. note that officers are in ongoing dialogue with representatives from the Lord Advocates office to establish appropriate methods of distributing funds from the Clydesdale Air Raid Distress Fund.

5.0 BACKGROUND & DISTRIBUTION ARRANGEMENTS

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

5.2 Of the 8 funds for which the Area Committee are trustees many 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 £1k in unrestricted reserves (i.e. monies the charity has available to spend without drawing on capital or restricted reserves) be made available, in their totality, during the financial year (2021/22).

- 5.4 In December 2021 the Area Committee agreed to place a moratorium on the distribution of monies from 4 of the 7 funds that had historically been awarded to Council Departments and allied partners. This approach has served to lessen the administrative burden and will allow interest to accumulate to ensure maximum community benefit at a later date.
- 5.5 In order to give a level of consistency to the process for those which are transferred to Council Departments or allied partners it is proposed that those funds that hold more than £1k will be allocated on a basis of the interest from the previous financial year plus 1/20th of the unrestricted funds.
- 5.6 Baird Prize Funds - The level this prize be £30 this is in line with those awarded in other areas. This will be paid by Finance in receipt of confirmation of the recipient from the school.
- 5.9 Should the Area Committee approve this approach around £200.00 will be available to council departments and allied partners this financial year
- 5.10 Due to a number of factors including, changes in society over time and changes to personnel and corporate structures the intended beneficiaries of a single fund are no longer easily identified. However, officers are in ongoing dialogue with representatives from the Lord Advocates office to establish appropriate methods of distributing those funds that have no established arrangements. A proposals for this remaining fund will be brought to a future meeting of the Area Committee.

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. On approving the recommendations they will provide a clear community benefit while 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

7.5.2 Socio-Economic Duty . None

7.5.3 Islands . None

7.6 Climate Change . None

7.7 Risk . None

7.8 Customer Service - None

Douglas Hendry

Executive Director with responsibility for Legal & Regulatory Support

November 2022

Policy Lead - Councillor Alastair Redman

Appendix 1 – Distribution Arrangements for Trust Funds and Bequests.

For further information contact: Stuart McLean, Committee Manager, 01436 658717,
stuart.mclean@argyll-bute.gov.uk