

Trust Funds Update

COUNCIL

Date: 18th July 2013

Author: Cabinet Member for Finance and Board Director, Resources
Wards: All
Locality Affected: All
Parishes Affected: All

1. Purpose and Reasons

- 1.1. To update the Council on the position of the Trust Funds held by the Authority and the work being undertaken to update the operational basis of the Funds.
- 1.2. The Council is Trustee to a number of the Trust Funds and requested at its meeting on 18th May 2012 that it received an annual report. This report is the first annual update since that meeting.

2. Recommendations

The Committee is recommended to:

- 2.1 Council is asked to note the content of this report and agree the continued process to modernise the Trust Funds.

3. Detail

Amalgamation of Funds and Modernisation of Purpose

- 3.1 At the meeting of Council on 18th May 2012, Members agreed that operational changes could be made to the Trust Funds, including amalgamating small Trust Funds and modernising the purposes of some in liaison with the Charities Commission (Council Minute 16, 2012/13 refers). Since that meeting, work has progressed to allow changes to the use of the main Trust Funds to give them a stronger link to the original intentions of the Bequests. One of the results of this is to wind down gradually their use for funding school uniforms to free up resources for other more targeted purposes. This process of winding down this activity of the fund will mean the final awards of this type under the old criteria are expected to be made in 2015/16, when the last children benefitting from the fund finish their compulsory education in year 11.

Disposal of 1 and 3 Faringdon Road

- 3.2 At its meeting on 8th November 2012, Council authorised the disposal of properties owned by the WG Little Fund with the proceeds to be reinvested in the Trust Fund (Council Minute 68, 2012/13 refers). In order to enable this to happen, the Council has been working with the tenant of one of the properties, the Citizens Advice Bureau, to allow it to relocate to more suitable premises. Cabinet agreed this relocation at its meeting of Cabinet on 12th June 2013 as part

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of the decision to create of a Third Sector Advice and Information Hub within Sanford House (Cabinet Minute .13, 2013/14 refers).

- 3.3 Once relocated, the Head of Property Assets will proceed with the disposal of the properties with the capital receipt being reinvested in the WG Little Trust Fund and the annual income being used for the awarding of grants. The amount generated from the asset disposal will be a capital sum investment and this amount will be kept in perpetuity to generate investment returns.
- 3.4 Whilst this work to enable the disposal has been progressing, further work has been undertaken to update the underlying Trust deed. This document will bring the criteria and aims of the Trust in to a more modern setting. Once the draft document has been shaped with the Cabinet Members and reviewed and agreed from a legal perspective with the Charities Commission, it will be presented to Council for formal approval. It will also be the key point at which operational activity of the Trust changes focus. The Charity Commission can then be provided with the formal minute that shows approval of the amalgamation and subsequent management of the Charitable Fund.

2012-13 Annual Accounts

- 3.5 The current purpose of each Trust Fund is set out in Table One below together with the 2012/13 year-end financial position in Table Two.

Table One – Purpose of Each Trust Fund

Langley Brooke	For educational purposes
W G Little	To assist with the purchase of school clothing, equipment etc.
Ethel May	To award students of good character and perseverance
Swindon Development Trust	For the benefit of the area of the Borough and to promote architecture
George Game	To promote the welfare of blind persons
Mary Ellen Boddington	To promote the welfare of blind persons
F C Phelps	To encourage the display of works of art in public places
G A Gerring	To fund the general services of the Hawthorne Centre
F A Thompson	To fund the general services of the Savernake Street Centre
M E Cowley	To promote the welfare of blind persons
McDermott Memorial	To support orchestral music
M E Packer	To promote the welfare of blind persons
Timothy Griffiths	To assist young people to partake in outdoor activities
Powell Trust	For educational purposes

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Table Two – Trust Fund Balances 2012-13

	Opening Balance 1/4/12 (£'000)	Movement (£'000)	Closing Balance 31/3/13 (£'000)
Langley Brooke	(31)	0	(31)
W G Little	(179)	(2)	(181)
Ethel May	(47)	0	(47)
Swindon Development Trust	(19)	11	(8)
George Game	(1)	0	(1)
Mary Ellen Boddington	(3)	0	(3)
F C Phelps	(13)	0	(13)
G A Gerring	(5)	0	(5)
F A Thompson	(17)	0	(17)
M E Cowley	(28)	0	(28)
McDermott Memorial	(58)	0	(58)
M E Packer	(2)	0	(2)
Timothy Griffiths	(1)	0	(1)
Powell Trust	(2)	0	(2)
Total	(406)	9	(397)

4. Alternative Options

- 4.1 This report provides an update on activity of the Trust Funds during the last year. Therefore, no alternative options have been identified.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 There are no financial implications of this report. The financial position of the Trust Funds is set in Table One above.

Legal and Human Rights Implications

- 5.2 The Charity Commission will need to be notified of the formal intention and completion process of the sale of charity land and will need to approve the proposed changes to the use of and amalgamation of Trust Funds.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 There are none.

Further information on the subject of this report can be obtained from Kirsty Cole, (01793) 464610, kcole@swindon.gov.uk.

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Links to One Swindon, Strategic Objectives, Plans and Policies

- 5.4 Any proposal to modernise the current objectives of the Trust Funds will enable officers to better align those objectives to its Corporate Plans, where appropriate.

Diversity Impact Assessment

- 5.5 A Diversity Impact Assessment (DIA) has not been done as this report does not make any recommendations that affect services.

Risk Management

- 5.6 No further risks have been identified.

6. Consultees

- 6.1 The Board Director Resources (Section 151 Officer) and Director of Law and Democratic Services (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 None.