

CHARITABLE TRUSTS, BEQUESTS AND TRUST FUNDS

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 ensuring that Trustees have financial oversight of the funds.
- 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 and consider the financial position of all the Charitable Trusts, Bequests and Trust Funds as of August 2023; and
 2. agree that funds that hold less than £250 for distribution have a moratorium placed on them to lessen the administrative burden and allow interest to accumulate to ensure maximum community benefit at a later date.

CHARITABLE TRUSTS, BEQUESTS AND TRUST FUNDS

3.0 INTRODUCTION

3.1 The Bute and Cowal Area Committee are Trustees of 12 Charitable Trusts, Bequests and Trust Funds with an unrestricted balance of around £18K. 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 and consider the financial position of all the Charitable Trusts, Bequests and Trust Funds as of August 2023; and
2. agree that funds that hold less than £250 for distribution have a moratorium placed on them to lessen the administrative burden and allow interest to accumulate to ensure maximum community benefit at a later date.

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 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 fund has available to spend without drawing on capital or restricted reserves) be made available, in their totality, within the financial year (2020/21).

5.4 In December 2021 the Area Committee formally agreed to place a moratorium on the distribution of monies from those funds that held less than £50 accumulated funds for distribution. Several funds, specifically the Provosts

Bequest Rothesay and the Dunoon & Kilmun Cemeteries, now have more than £50 available for distribution. To lessen the administrative burden and allow interest to accumulate to ensure maximum community benefit at a later date it is suggested that this threshold be increased to £250.

- 5.5 To further lessen the administrative burden, in December 2022, the Area Committee agreed to award the totality of the Tulloch Library, Dunoon to Live Argyll and thereafter to agree to place a moratorium on this fund. The Area Committee also agreed to place a moratorium on the Provost's Fund (Bute).
- 5.6 Having noted that the piano associated with the 'Piano Fund, Dunoon' is in need of full restoration and that the funds available would not meet the required, extensive, costs. The Area Committee also agreed that a moratorium be placed on this fund until such time as sufficient funds accumulate.
- 5.7 A small number of funds 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 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 Climate Change – None

7.7 Risk – None

7.8 Customer Service - None

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Appendix 1 – Trust Funds and Bequests.

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