

CHARITABLE TRUSTS, BEQUESTS AND TRUST FUNDS

1.0 EXECUTIVE SUMMARY

- 1.1 The Helensburgh and Lomond 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 Officers continually seek to simplify and update processes where possible to ensure ongoing compliance with the original terms of the bequests and to reduce the administrative burden of the management and distribution. There remains a number of challenges with a single charitable fund that was established many years ago, and as a consequence of changes in society over time the intended beneficiaries of the bequests are no longer easily identified.
- 1.3 This report provides details of a number of the Trusts and Bequests that remain active in the Helensburgh and Lomond Area and seeks agreement from Members on proposed distribution methods.

2.0 RECOMMENDATIONS

- 2.1 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 2023,
 2. agree that the 'John Logie Baird Prize Fund' prize be limited to £30,
 3. agree to award all unrestricted funds from the Kidston Park Trust to Roads and Infrastructure for the purposes of the upkeep of Kidston Park and thereafter to place a moratorium on the fund, and
 4. agree that the Miss Anne Dickson Bequest is awarded on the basis outlined in paragraph 5.4 and defined within appendix 1.

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 2023,
2. agree that the 'John Logie Baird Prize Fund' prize be limited to £30,
3. agree to award all unrestricted funds from the Kidston Park Trust to Roads and Infrastructure for the purposes of the upkeep of Kidston Park and thereafter to place a moratorium on the fund, and
4. agree that the Miss Anne Dickson Bequest is awarded on the basis outlined in paragraph 5.4 and defined within appendix 1.

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 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).

5.3 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.

- 5.4 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 the basis of the interest from the previous financial year plus 1/20th of the unrestricted funds, specifically the Miss Anne Dickson Bequest. This approach being the recommendation of Financial Officers as a means for members to meet their fiscal responsibilities as trustees, specifically that the funds are maintained over the longer term and not exhausted.
- 5.5 The exemption to this rule is the funds which relates to a school prize, 'John Logie Baird Prize Fund' and the 'Kidston Park' fund.
- 5.6 It is suggested the amount associated with the John Logie Baird Prize Fund be £30 this is in line with those awarded in other areas. This will be paid by Finance on receipt of confirmation of the recipient from the school and is awarded to a pupil showing the greatest ability in the subjects of Science and Mathematics.
- 5.7 The Executive Director with responsibility for Road and Infrastructure Services is currently progressing plans to spend a Scottish Government funding award of £938k for Play Park renewal within Argyll and Bute, of which £368,500 has been allocated to the Helensburgh and Lomond area. To enhance this programme it is suggested that the 'Kidston Park' unrestricted funds be awarded in their totality and thereafter a moratorium be placed on these funds. This will have the dual benefit of enhancing the associated Play Park renewal project, specifically as it relates to Kidston Park, and will serve to lessen the administrative burden allowing interest to accumulate to ensure maximum community benefit at a later date.
- 5.8 Should the Area Committee approve this approach over £2.7k will be available to council departments and allied partners this financial year
- 5.9 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, Clydesdale Air Raid Distress fund, are no longer easily identified. Officers had been in ongoing dialogue with representatives from both the Lord Advocates office and The Scottish Charity Regulator in an attempt to establish appropriate methods of distributing these funds.
- 5.10 Largely as a consequence of the lack of associated documentation of the funds, despite making all reasonable enquiries, very little progress had been made. Consequently officers are of the opinion that progress can only now be made by following the provisions within the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and The Public Trusts (Reorganisation) (Scotland) (No.2) to re-organise the funds. Officers are committed to submitting suggested distribution methods for the aforementioned fund 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 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

Douglas Hendry

Executive Director with responsibility for Legal & Regulatory Support

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Policy Lead - Councillor Alastair Redman

Appendix 1 – Distribution Arrangements for Trust Funds and Bequests.

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