



Report to: Cabinet

Subject: Charitable Trusts

Date: 4 November 2010

Author: Head of Democratic and Community Services

1. PURPOSE OF THE REPORT

To establish an Independent Panel to consider issues affecting any charity where the Council is the sole trustee.

2. BACKGROUND

It has been common practice for local authorities to become the trustee of a charitable endowment because the local council will generally be an enduring body and will be perceived to act in the interests of the community.

The Charity Commission has expressed concern that, in these circumstances, there is often a conflict of interest between what is in the interests of the Council exercising its statutory functions and what is in the interests of the charity and its beneficiaries.

Any charity exists to carry out its charitable purposes and not as a means of supporting the policies or purposes of the Council and the Charity Commission's advice to any local authority, that is the sole trustee for a charity, is to introduce a mechanism to ensure that decisions are taken in the best interests of the charity.

In order to achieve this divide and to remove any conflict of interest it is proposed to establish an Independent Panel to consider issues affecting any Charity to which the Council has been appointed as sole trustee. It is proposed that the administrative duties of the Council as trustee, will, as now, continue to be dealt with under delegated authority by officers of the Council. This will deal with matters such as the administration of accounts, submission of Charity Commission returns and other regulatory

documents. The Panel's remit will be to keep under review the charitable purposes of any charitable endowment where the Council is a sole trustee and to consider any proposal to use or deal with the property or assets of such a charity.

3. RECOMMENDATION

That a Charities Independent Panel be established consisting of five appointees independent of the Council with the remit set out in the report.

The Panel will have a required quorum of three members.

In the first instance it is proposed that the following appointments be made:

Simon Straw County Sports Partnership

Jo Bradley Groundwork

Lesley Rhodes Gedling Play Forum

Reverend Phil Williams

Stephanie Roberts Borough Sports Forum