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CYNGOR SIR  
YNYS MÔN  
ISLE OF ANGLESEY  
COUNTY COUNCIL

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Rheolwr Gyfarwyddwr Dros Dro – Interim  
Managing Director

CYNGOR SIR YNYS MÔN  
ISLE OF ANGLESEY COUNTY COUNCIL  
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<b>RHYBUDD O GYFARFOD</b>	<b>NOTICE OF MEETING</b>
<b>YMDDIRIEDOLAETH ELUSENNOL YNYS MÔN</b>	<b>ISLE OF ANGLESEY CHARITABLE TRUST COMMITTEE</b>
<b>DYDD MAWRTH, 23 EBRILL, 2013 am 2.00 o'r gloch</b>	<b>TUESDAY, 23 APRIL 2013 at 2.00 pm</b>
<b>SIAMBR Y CYNGOR, SWYDDFEYDD Y CYNGOR, LLANGFNI</b>	<b>COUNCIL CHAMBER, COUNCIL OFFICES, LLANGFNI</b>
<b>Swyddog Pwyllgor</b>	<b>Mrs. Mairwen Hughes 01248 752516</b>
	<b>Committee Officer</b>

## **MEMBERS**

Councillors:

### **Original Independent**

R Dew, Jim Evans, R LI Hughes, K P Hughes, W T Hughes, Eric Jones, O Glyn Jones, A M Jones, G O Jones, B Owen, R L Owen, J V Owen, G O Parry MBE, Eric Roberts, G W Roberts OBE, E Schofield and Ieuan Williams

### **The Party of Wales**

E G Davies, Lewis Davies, Mrs Fflur Hughes, W I Hughes, T LI Hughes, Rhian Medi and R G Parry OBE

### **Labour**

W J Chorlton, C LI Everett, R Dylan Jones, Raymond Jones and J A Roberts

### **Llais i Fôn**

T H Jones, C McGregor and S Williams

### **Unaffiliated**

H E Jones, R LI Jones and P S Rogers

## AGENDA

**1**     **DECLARATION OF INTEREST**

To receive any declaration of interest from any Member or Officer in respect of any item of business.

**2**     **MINUTES** (Pages 1 - 4)

To submit, for confirmation, the minutes of the meeting held on 24 January, 2013.

**3**     **ADMINISTRATION OF THE TRUST BUSINESS (B)** (Pages 5 - 10)

(a) To welcome Mr. Philip Heath, Weightmans LLP to the meeting.

(b) To submit a report by Weightmans Solicitors on behalf of Trust Officers.

**4**     **PLAQUE IN RECOGNITION OF FINANCIAL SUPPORT** (Pages 11 - 12)

To submit report by the Secretary of the Charitable Trust in relation to the above.

**5**     **DRAFT OUT-TURN 2012/13 AND BUDGET 2013/14** (Pages 13 - 16)

To submit a report by the Treasurer in relation to the above.

## ISLE OF ANGLESEY CHARITABLE TRUST

### Minutes of the meeting held on 24 January, 2013

- PRESENT:** Mr. Elwyn Schofield – Chair
- Messrs.E.G. Davies, Lewis Davies, Richard A. Dew, Jim Evans, Keith Evans, Mrs. Fflur M. Hughes, K.P. Hughes, R.L.I. Hughes, Vaughan Hughes, W.I. Hughes, A.M. Jones, Eric Jones, O. Glyn Jones, R. Dylan Jones, C. McGregor, Bryan Owen, G.O. Parry MBE, Eric Roberts, Ieuan Williams, Selwyn Williams.
- IN ATTENDANCE:** Secretary,  
Head of Function (Resources),  
Head of Service (Finance),  
Head of Service (Leisure & Culture),  
Legal Services Manager (RJ),  
Capital/Treasury Accountant (BD),  
Committee Officer (MEH).
- APOLOGIES:** Messrs. W.J. Chorlton, C.LI. Everett, D.R. Hughes, Raymond Jones, T.H. Jones, Mrs. Rhian Medi, R.L. Owen, Bob Parry OBE, J. Arwel Roberts, Peter S. Rogers.
- ALSO PRESENT:** None
- 

The Chair welcomed Ms. Clare Williams, the Head of Function (Resources) to the Charitable Trust. He noted that the Trust normally appoints the Council's Chief Finance Officer as Treasurer of the Charitable Trust.

It was **RESOLVED to appoint Ms. Clare Williams as Treasurer of the Charitable Trust.**

#### 1 DECLARATION OF INTEREST

Mr. Selwyn Williams declared an interest in relation to the Menai Bridge Memorial Centre.

#### 2 MINUTES

The minutes of the meeting held on 29 May, 2012 were confirmed.

#### 3 REPORTS OF SUB-COMMITTEES OF THE CHARITABLE TRUST

##### 3.1 Investment and Contracts Committee

The minutes of the meeting held on 7 November, 2012 were confirmed and adopted where necessary.

##### 3.2 General Grants Committee

The minutes of the meeting held on 10 July, 2012 were confirmed and adopted where necessary.

#### ARISING THEREON

## ITEM TAKEN IN PRIVATE

### **Application 46 – Môn FM (Community Radio Project)** (To fund a transmitter and aerial kit)

Submitted – a report by the Head of Service (Finance) in relation to the above.

It was noted that the application by Môn FM was submitted to the General Grants Committee on 10<sup>th</sup> July, 2012 when it was considered that additional information was required in relation to the organisation in order to make a fully informed decision on awarding grant funding. The application was for £10k, although the ceiling for these grants is £6k. The Business Plan, the set-up (details of the Secretary, Treasury etc.), conditions of the Operator's Licence and other grants attained were attached to the report as information.

It was further stated that an Operator's Licence has been offered, but not yet awarded, to Menter Môn, on Môn FM's behalf. This is because only limited companies can hold a community radio licence.

The budget of £50k allocated to the General Grants Committee has been used in full. As the 2012/13 year is nearing its end, the funding profile has been reviewed and £16k has been identified as grants being forgone, which were not identified in the original budget.

Members of the Trust expressed that they wholeheartedly supported Môn FM's application as it will promote such activities and benefit young people on the Island who wish to take part in broadcasting and media.

### **RESOLVED**

- **to allocate a grant of £6k to Môn FM, subject to minor details being resolved between Officers and the organisation;**
- **that Môn FM be requested to forward a further application, if they so wish, under the normal arrangements for inviting applications.**

## **4 (A) ANNUAL REPORT AND ACCOUNTS 2011/12**

Submitted – for adoption, a report by the Head of Service (Finance) in relation to the Annual Report and Accounts 2011/12.

It was reported that since the circulation of the draft report and accounts, to Members, the audit had been completed and only a minor rounding error identified.

**RESOLVED to approve the Annual Report and Accounts 2011/12 and to authorise the Chair of the Trust to sign a final version of the report after the minor changes.**

## **(B) ORIEL YNYS MON**

Submitted – report by the Head of Service (Finance) together with a report, for information, by the Head of Service (Leisure and Culture) on the achievements and performance of Oriol Ynys Môn for 2011/12.

**RESOLVED that the report be referred to the General Grants Committee for information and scrutiny.**

## **5 ADMINISTRATION OF THE TRUST**

Submitted – a report by the Secretary in relation to the above.

The Secretary reported that at the meeting of the full Charitable Trust held on 29 May, 2012 there had been a discussion on the appropriateness of establishing a different administrative arrangement for the Trust that would be independent of the Council's administrative arrangements. A general discussion was had on some options for externalising the administration or establishing a specific administrative system for the Trust. Reference was made to setting aside a sum of £20,000 to undertake a feasibility study into the proposal but no formal resolution was taken to that effect. A Panel was identified to give further consideration to the matter with the intention that it reported back to the Trust in time. The Panel has not met to date, but in the meantime a number of meetings have been held between Officers, and between Officers and the Chair of the Trust.

Currently questions have arisen regarding the relationship between the Council and the Trust which go beyond the discussions regarding separating the administration of the Trust from that of

the Council. Initially, the Officers' viewpoint was that they did not have, in their opinion, the specialism or the capacity to provide comprehensive and effective support to the Trust. By now, other considerations were coming to the fore in respect of ensuring that the Trust's constitution, as a charitable entity with the objectives of providing general public benefits for the residents of Anglesey, beyond the areas of responsibility exercised by the County Council, continued to be fit for purpose.

The Chair and the Officers are of the opinion that the Trust should seek specialist advice and guidance for the members to enable them to resolve on the fitness for purpose of the current constitution, the appropriateness for establishing clear barriers between the Council and the Trust, and the way to deal with the Trust's assets and the methods adopted to promote community benefits through awarding grants etc.

The Secretary further reported that declarations of interest in procuring the Rhosgoch site, which is in the ownership of the Trust, have been made by external businesses. The Trust has already approved procuring specialist advice, as required under the regulations of the Charities Commission, to assist in the process of selling the site, following the guidance given by its own Officers that they did not have the skills and specialist knowledge to advise and support the process.

Members agreed that the business of the Charitable Trust and the County Council needs to be separate. Following further deliberations it was **RESOLVED :-**

- **That specialist advice should be procured to consider the fitness for purpose of the Trust's current constitution and administrative arrangements in the context of the recent changes to the Council's own political structure and the new opportunities emerging for community benefits on Anglesey;**
- **To reaffirm the need to procure the services of a Qualified Surveyor to facilitate the process of selling the Rhosgoch site;**
- **To authorise the Trust's Treasurer, to procure the specialist advice required, adhering to the Council's procurement arrangements, as a comprehensive package and to release the sum of £20,000 for the work in respect of the review of the constitution and administration;**
- **To note that the administration of the Charitable Trust and the land at Rhosgoch shall be dealt with separately.**

## **6 FUNDING APPLICATION BY THE CORPORATE PARENTING PANEL**

Submitted – a report by Head of Service (Finance) in relation to the above.

It was reported that the County Council's Corporate Parenting Panel at its meeting held on 22<sup>nd</sup> October, 2012 resolved 'that a request be submitted to the Isle of Anglesey Charitable Trust that it considers match funding every year the Welsh Government's £200 per annum to the ISA account of each looked after child.'

The Head of Service (Finance) reported that in order to be eligible for funding, any project or scheme needs to comply with the general and particular charitable purposes of the Charitable Trust and to fall within the Statement of Funding Priorities. It was noted that the Charitable Purposes of the Trust are the general public benefit of persons resident in the Borough. The application does not fit well with the Trust's objectives.

The Secretary stated that as Chair of the Corporate Parenting Panel he wished it to be noted that he has not taken part in discussion in respect of this application. He noted that Mr. K.P. Hughes and Mr. J.V. Owen are members of the Corporate Parenting Panel.

**RESOLVED to refer the application back to the Corporate Parenting Panel on the basis that the application is not eligible as :-**

- **The Charitable Purposes of the Trust are the general public benefit of persons resident in the Borough;**
- **The proposal does not fall into the particular purposes in the Trust Deed;**

- **The Trust's Statement of Funding Priorities specifies that, apart from Oriel Ynys Môn and other activities approved before April 2007, projects operated by the Isle of Anglesey County Council will not be supported.**

**MR. ELWYN SCHOFIELD  
CHAIR**

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<b>ISLE OF ANGLESEY CHARITABLE TRUST</b>	
<b>Meeting:</b>	Full Trust Meeting
<b>Date:</b>	23 April 2013
<b>Title of Report:</b>	Plaque in Recognition of Financial Support
<b>Report by:</b>	Secretary to the Trust
<b>Contact Officer:</b>	Carol Snowden (Administrative Assistant)
<b>Purpose of Report:</b>	To request that members of the Trust consider presenting plaques to voluntary bodies in receipt of financial support for projects to recognise the contribution of the Trust.
<b>Recommendation:</b>	Members of the Trust are requested to consider the contents of the report and resolve on the recommendation to adopt an arrangement for presenting plaques in recognition of the Trust's financial contribution.

## **PLAQUES TO RECOGNISE CONTRIBUTION**

1. In accordance with the procedures and conditions adopted, the Isle of Anglesey Charitable Trust invites applications annually from voluntary bodies across the Island for a financial contribution towards their activities. The Trust's contribution usually is for financial sums not exceeding £6,000 at a time, and within the specified guidelines issues by the Trust members and the available finance within the specified fund allocated for such purposes. Listed below are examples of the type of applications approved recently:

- Benllech Community and Ex-servicemen's Centre (£6,000)
- Castle Players Beaumaris (£6,000)
- Holyhead Guides (£3,588)
- Thomas Close Play Area, Beaumaris (£3,855)
- Bro Goronwy Football Club (£1,798)
- Cymdeithas Cae Chwarae Rhosmeirch (£6,000)
- Rhosybol Community Centre (£6,000)
- Canolfan Esceifiog Gaerwen (£6,000)

2. It can be seen from the above list that the Trust grants often are a contribution towards repair and maintenance or visible improvements to buildings used for community purposes by voluntary bodies, as well as assistance in purchasing furniture and equipment to promote their activities. Frequently the cost of the project will be substantially greater than the monies received from the Trust and other agencies will also have contributed to the scheme. These other agencies often insist that their contribution is visibly recognised (e.g. by displaying a plaque on the wall of the community room or building or on a piece of furniture). There is nothing to recognise the contribution of the Isle of Anglesey Charitable Trust, although it may have been the main contributor, and in the view of officers not enough is being done to promote the Trust and gain publicity for its financial contribution to the various activities in receipt of its grant.
3. It is suggested that the Trust could present a simple plaque to note the financial contribution to the project where this can be made visible, and that arrangements should be made for either the Chair or the local member of the Trust to be involved in the presentation with the necessary publicity. It is estimated that the cost of such plaques would be approximately £35 each and that the likely maximum total cost in one financial year would be £420. In these less frequent occasions where the Trust has contributed to a major project of significance (i.e. an activity or project which has received in excess of £50,000 contribution) a more substantial plaque could be produced to be agreed by the Chair, Vice-Chair and officers.

#### 4. **RECOMMENDATION**

It is recommended that Trust members approve:

- i) The principle of providing plaques to recognise the financial contribution of the Trust to a local project;
- ii) That the Trust sets aside a sum up to £500 annually for such purpose from its grants fund to local bodies;
- iii) That arrangements are made by officers for the Chair or local member to present the plaque to the relevant body in parallel with the transfer of grant to support the project.

<b>ISLE OF ANGLESEY CHARITABLE TRUST</b>	
<b>COMMITTEE:</b>	<b>ISLE OF ANGLESEY CHARITABLE TRUST</b>
<b>DATE:</b>	<b>23 APRIL 2013</b>
<b>TITLE OF REPORT :</b>	<b>DRAFT OUT-TURN 2012/13 AND BUDGET 2013/14</b>
<b>PURPOSE OF REPORT:</b>	<b>UPDATE STRATEGY AND OUTLINE BUDGET</b>
<b>REPORT BY:</b>	<b>CHARITABLE TRUST TREASURER</b>
<b>ACTION:</b>	<b>ADOPT BUDGET AND DELEGATE SUM TO BE ALLOCATED TO YEARLY GRANTS</b>

## 1. Summary

- 1.1** This report is required to confirm funding allocations for 2013/14 and to delegate the funding powers for community facilities and minor grants to the General Grants Committee. The figures contained within this report are based upon projected outturn for 2012/13.
- 1.2** The projected outturn for 2012/13 means that reserves as at 31 March 2013 are estimated at £43k surplus. With the projected growth in investment income, and assuming the continuation of current grant funding levels (with the Oriel Ynys Môn funding decreasing to £200k by 2014/15), revenue reserves are projected to increase to £300k in 2014/15. Due to the current uncertainties surrounding the future administration of the Trust, it is suggested that this projected surplus is not allocated at this time.
- 1.3** The recommended grants budget for 2013/14 is:
- Oriel Ynys Môn £215k;
  - Village Halls £66k; and
  - Community Facilities & Minor Grants £50k (the General Grants Committee to have delegated authority to make these grant allocations).

## 2. Projected Outturn

- 2.1** The projected out-turn and revenue reserves for 2012/13 differ from the strategy and budget as follows:-
- Investment income for 2011/12 was £28k (7%) higher than projected in May 2012;
  - 'Other grants' were £6k (12%) higher than originally budgeted due to the award made to Môn FM by the full Trust (the funding of which was covered by allocations forgone in 2011/12);
  - Allocations forgone in 2011/12 were £16k (for prudence, projections for allocations forgone are not included within the annual budget setting reports); and
  - Investment income net of minor miscellaneous expenditure was £14k higher than projected at the time of the 2012/13 budget setting report.
- 2.2** The projected out-turn (which is summarised in the table below) means that revenue reserves as at 31 March 2013 are estimated at £43k surplus.
- 2.3** Grants are recognised in the revenue reserve when the commitment is made to a third party. In the case of grants which are drawn down over a period of years,

these may be funded from future years' investment income. The reserves policy implied by the financial strategy implemented in 2009/10 may allow that the revenue reserve falls into deficit, provided that cashflow projections show cash commitments can be met and revenue reserves return to surplus over the period of the drawdown.

- 2.4** During 2011/12 the reserves were in deficit for the first time, but this was stated after writing off the full value of £300k for RDP phase 2 to be drawn down over a period of years. At that time it was projected that the revenue reserves would return to surplus during 2013/14, being within the RDP timetable.

- 2.4.1** To summarise the position, the update to the strategy in April 2012 was based on these illustrative projections:-

	2012/13 £000	2013/14 £000
Investment Income*	454	468
Less standard investment management fee*	(36)	(37)
Available for spending	418	431
<i>* assumed to grow at 3% per annum</i>		

Spending on:-

Oriel Ynys Môn	(230)	(215)
Village Halls	(66)	(66)
Other grants	(50)	(50)
Total allocations	346	331
To/(from) reserves	72	100
Projected surplus / (deficit) at year end	(9)	91

- 2.5** This can now be updated for the 2011/12 actual, and 2012/13 projected, out-turns. Investment income is projected forward at 3% trend growth from a higher baseline. The Oriel Ynys Môn funding was formally confirmed as a three-year agreement in December 2009 and so the figures up to and including 2011/12 did not change. As part of the 2012/13 budget setting the proposal for Oriel Ynys Môn was to reduce funding to £200k p.a. by 2014/15 and it was resolved that the 2012/13 budget was £230k. This gives revised projections (ignoring allocations forgone) as follows:-

Investment Income	2012/13 £000	2013/14 £000	2014/15 £000
Investment Income	482	496	511
Less standard investment management fee	(35)	(36)	(37)
Available for spending	447	460	474

Grant expenditure

Oriel Ynys Môn	(230)	(215)	(200)
Village Halls	(66)	(66)	(66)
Other Grants	(56)	(50)	(50)
	352	331	316

Movements in reserves

To/(From) Reserves	95	129	158
Projected Surplus / (Deficit) at year end	43	172	330

- 2.5.1** As can be seen, the latest projections show that investment income for 2012/13 has surpassed initial projections and the revenue reserve has returned to a surplus position a year in advance of previous expectations.

**2.5.2** It should be noted that within the investment portfolio there are accumulation funds. These funds pay the dividend in the form of investment units rather than cash and are being reflected in increased capital rather than revenue reserves. As reported in the 2012/13 budget setting document, and as discussed briefly at the Investments and Contracts Committee on 22 May 2012, this income could justifiably be regarded as revenue and there is the flexibility to recognise it as such. We are advised that this income is currently in the region £30k. The value of the income and the implications of amending the recognition of this income can be reviewed and reported during the year if the Trust wishes.

### **3. Future Considerations: Administration Costs**

**3.1** A separate report on the agenda of this meeting discusses the future administration of the Trust. It is too early to give accurate estimates of the cost of this change but it is likely that there will be legal fees and set up costs as well as ongoing administration costs.

**3.1.1** Ongoing administration costs are estimated to be at least £60k per annum based on:

- Fees of 10% of the grants pot charged in similar circumstances to other grant awarding bodies; and
- Other costs, additional to those currently charged to the Trust will include general and financial administration, accounting, and legal and other advice.

**3.2** Given the uncertainty of these costs, my advice is that the projected surplus should not be allocated at this time. It will be necessary to return to the financial strategy after the election and once the decision on future administration has been made.

### **4. The 2013/14 Funding Round**

The advertisements for annual grants were made in early April 2013, with a deadline of 10 May 2013 for applications to be submitted. See Section 5(b) for the recommended budget.

### **5. Recommendations**

**(a)** To confirm the updated strategy and the tapering of the Oriel Ynys Môn grant by £15k p.a.

**(b)** To adopt a budget for 2013/14 as follows:-

Oriel Ynys Môn	£215k
Village Halls	£ 66k
Community Facilities & Minor Grants	£ 50k

**(c)** To delegate to the General Grants Committee the sum of £50k to deal with applications.

**(ch)** To return to the financial strategy after the election and once the decision on future administration has been made.

**CLARE J WILLIAMS  
TREASURER  
ISLE OF ANGLESEY CHARITABLE TRUST**

**15 APRIL 2013**

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