



Report of the Section 151 Officer

Audit Committee - 11 December 2018

Trusts & Charities

Purpose:	To provide background information to the audit committee of the range of trusts and charities of which the Council is nominated trustee.
Policy Framework:	None
Consultation:	Legal, Finance and Access to Services.
Report Author:	Jeffrey Dong
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	N/A
For Information	

1 Introduction

- 1.1 The City & County of Swansea and its predecessors (Swansea City Council and West Glamorgan County Council) have inherited, or been bequeathed or nominated to act as Trustee/manage/oversee a number of trusts and charities with a wide range of varied charitable objects.
- 1.2 The assets of these trusts and charities are not the property of the Council and are not core to the activities of the City & County of Swansea.
- 1.3 Where it is obliged to, Charity Commission returns are completed and financial statements are produced and 'independently examined' as required under Charity Commission guidelines.
- 1.4 Although the trust and charity assets are not the Council's, summary year end balances were included in the financial statements of the

Authority as an informational disclosure note up until 2013/14. In rationalising the financial statements of the Authority and upon instruction from the appointed external auditors, it was determined that it was no longer required to include a similar extract in future financial statements of the Authority, however the requisite Charity Commission returns and financial statements continue to be produced and be independently examined.

- 1.5 At the request of the Audit Committee Chair, this report has been submitted 'For Information' to the Audit Committee.

2 The Portfolio of Trusts & Charities

- 2.1 The Council's portfolio of Trusts and Charities is outlined in Appendix 1 as at 31 March 2018 (last filed balance sheet with Charity Commission). The Council has historically supported these Trusts and charities in the provision of professional services on a pro bono basis (legal, finance, democratic services, IT, facilities and Education & Social Services) to enable the Trust & charity to undertake its objectives.

These services include:

- Legal advice
- Preparation of financial statements
- Financial advice/management of investments
- Charity commission filing
- Room hire
- Identifying awards
- Distributing awards
- Convening trustee meetings/recording minutes

The costs/time associated with the above have never been quantified. The degree of support and activity between Trusts and Charities varies widely.

- 2.2 It can be seen that there is a broad range of Trusts & charities both in size of assets and charitable object.

- 2.3 Where the charitable object is still relevant and there is sufficient distributable income, it can be seen that the Trust & charity is still active and makes regular distributions and awards as identified in Appendix 1

3 Governance

- 3.1 In most instances, the Council is the named Trustee of each trust or charity or in some instances there are named elected member trustees (e.g The Lord Mayor) for each charity and delegates the decision making either to named elected members or to the Trustee Panel comprising of the members identified in Appendix 2..

- 3.2 For the larger trusts & charities, this body meets to agree and make awards and distributions in line with the objects of the charity and to receive the financial statements. This is usually a direct award to a

person or organisation within the remit of the charitable object.
Otherwise the directly appointed trustees make those decisions

- 3.3 Elected members have always been very active and keen to preserve their role in these acts of local philanthropy.

4 Resource to Support Trusts & Charities

- 4.1 As the workforce across the Council contracts, the ability of services to support 'non core' business has reduced to a point where services cannot provide the historical level of service the trust or charity has historically enjoyed.

- 4.2 The current level of support is discharged without full recovery of costs.

5 Community Foundation in Wales (CFW)

- 5.1 At the behest of the Administration in power at the time, Council Officers met with the Community Foundation in Wales , an organisation which seeks to manage and consolidate charitable funds with a view to maximising efficiencies in administration and management costs for the benefit of the charity. They undertake the labour intensive task of resolving the necessary legals to dissolve the charities with the Charity Commission and vire funds.

The proposed management charge was 2% of assets under management all inclusive management fee to do so.

5.2 The CFW Model

At the moment each charity or trust has a distinct and separate charitable object, CFW would seek to consolidate all these funds into a single Swansea Foundation fund with a single 'catch all' charitable object which would be determined and would seek to make awards not on a personal/ direct level but to other enabling charities or organisations which would satisfy those objects.

Elected members would be allowed a number of seats on the trustee board of this Swansea Foundation; however the award making process would not be as granular as in the past.

5.3 City & County of Swansea -CFW Pilot

It was agreed by the then Head of Financial Services to pilot the model in 2011/12 with the consolidation of the dormant and inactive Trusts and charities, however without the agreement of the Trustees of the Houseworkers' Trust Fund, which was the largest of the dormant funds at that time (subsequently taken over by the Trustees of the charity), the proposition became financially unviable for the CFW to consider any longer and take forward. No further work was undertaken.

6 Financial Implications

- 6.1 There are no direct financial implications arising from this report

7 Legal Implications

7.1 As Corporate Trustee the Council must abide by the Trust Deed and objects of the charity.

8 Equality Impact Assessment

The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above. As the report is for information and no actions arise there are no equality impact implications arising from this report

Appendices

Appendix 1 – Summary of trusts and charities

Appendix 2 – Trustee Panel

APPENDIX 1

Charity Funds					
Name of Fund	Charity Registration	Object of the Fund	Approx Fund Value @ 28/11/18 £	Status	Grants Awarded 01/04/17 - to date £
Welsh Church Act Trust Fund	1071913	Grants are awarded to charities, voluntary bodies and organisations with charitable objectives which are based in/or active within the City & County of Swansea.	1,350,300	Active Fund	49,250
Swansea Children's Relief In Need	701418	To help relieve the hardship or distress of children living in the area.	798,500	Active Fund	0
Swansea Workshop for the Blind	532256	The object of the charity is the relief of persons who are blind or partially sighted by the provision for such persons of facilities for employment and vocational training.	728,760	Active Fund	0
Swansea Foundation	1086884	To promote the education of persons who are under the age of 25, are in need of financial assistance and are resident in the City & County of Swansea. Preference is given to persons who have attended Bishop Gore Comprehensive	183,500	Active Fund	0

		School, Dynevor Comprehensive School, Swansea College and Swansea Institute of Higher Education.			
Swansea Further Education Trust Fund	1053664	The Charity provides post graduate awards to pupils residing in or near the County Borough of Swansea.	140,000	Active Fund	9,000
Cwmdonkin House Trust Fund	222391	To promote and carry out moral welfare work amongst girls and women in Swansea and the neighbourhood thereof.	92,495	Dormant	0
T & E Williams Scholarship Fund	N/A	To award scholarships to candidates resident for at least two years immediately preceding the date of application for a scholarship, or have attended for two years in an educational establishment, within the area comprising the former Borough of Loughor. If there are no worthy applicants or not a sufficient number of worthy applicants to meet this criterion, then the area of benefit may be extended to cover the areas of the City & County of Swansea and that of Neath Port Talbot Borough Council.	67,430	Active Fund	4,165
Lord Mayor's Charity Fund	512099	Each year the newly inaugurated Lord Mayor chooses a charity or charities to benefit from the funds raised during his/her term of office.	28,625	Active Fund	38,580

Glen George Scholarship Fund	N/A	The City & County of Swansea shall stand possessed of the Scholarship Fund upon trust to apply the income thereof in perpetuity for the promotion and encouragement of education of pupils from Bishop Gore Comprehensive School.	27,646	Active Fund	0
Vision Impaired West Glamorgan	504736	To provide assistance to registered blind and partially sighted people within the areas of the City & County of Swansea and Neath Port Talbot, by making grants of money or providing items, services or facilities.	20,500	Active Fund	0
Glyn Vivian Lectureship Fund	N/A	Grants awarded by Glyn Vivian Art Gallery	17,000	Active Fund	0
Ynystawe Reading Room	524252	The provision and maintenance of a reading room situated in Ynystawe, Swansea	13,249	Dormant Fund	0
Morrison Park Fountain	N/A	The provision and maintenance of a fountain in Morrison Park	10,047	Dormant Fund	0
Royal Artillery Maintenance Fund	N/A	The objects of the charity is the provision of maintenance of a WW2 monument situated at Quay Parade Swansea.	9,420	Active Fund	0

Frank Squires Trust Fund	508215	Advancing the course of education within the County of West Glamorgan and in particular of assisting former pupils of Dan-Y-Graig and St Thomas Junior School to pursue courses of higher education.	5,350	Active Fund	0
Lily Thomas	505022	To relieve either generally or individually persons resident in the area of benefit who are in conditions of need, hardship or distress.	3,495	Dormant Fund	0
D F Nichol	245214	Relief of the poor in the village of Oystermouth, Swansea	3,019	Dormant Fund	0
William Turpin	N/A	Unknown - Dormant	2,058	Dormant Fund	0
G M John Bequest	N/A	Unknown - Dormant	1,200	Dormant Fund	0
St Johns Day Centre	N/A	Unknown - Dormant	278	Dormant Fund	0
Total			3,502,872		100,995

TRUSTEES PANEL

TRUSTEES PANEL (17)

Labour Councillors: 11

Will Evans	Alyson Pugh
Yvonne Jardine	Paulette B Smith
Mike B Lewis	Gloria J Tanner
Wendy Lewis	Mark Thomas
Hazel M Morris	Lesley V Walton
Christine Richards	

Liberal Democrats/Independent Councillors: 3

Chris A Holley	D Gareth Sullivan
Susan M Jones	

Conservative Councillors: 2

Lyndon R Jones	Brigitte J Rowlands
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Uplands Councillor: 1

Irene E Mann	
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