

ABERDEEN CITY COUNCIL

COMMITTEE	Council
DATE	13 December 2021
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Governance Review of Trusts – 2021 Update
REPORT NUMBER	COM/21/325
DIRECTOR	Gale Beattie
CHIEF OFFICER	Fraser Bell
REPORT AUTHOR	Steven Inglis
TERMS OF REFERENCE	10

1. PURPOSE OF REPORT

To provide an update on activity in relation to trusts to which the Council is connected.

2. RECOMMENDATIONS

That Council:-

- 2.1. Notes the actions, as detailed in this report, undertaken in relation to trusts to which the Council is connected; and
- 2.2. Instructs the Chief Officer – Governance to bring a further update report to Council no later than December 2022 on future activity in relation to such trusts.

3. BACKGROUND

- 3.1. On 9 December 2019, Council considered a report providing an update on the ongoing work in relation to trusts to which the Council was connected. A service update of 15 December 2020 was subsequently provided to members. This report provides a further update on such trusts, as listed in Appendices A – D. The balance sheet and revenue figures provided in the Appendices are as at 31 March 2021 but are subject to final audit confirmation. The balance sheet figure for a trust represents its total funds (including the value of any investments) whereas the revenue figure is the useable cash amount which is readily available for disbursement. The balance sheet figure includes the revenue figure.

3.2. Educational Trusts

There are 37 Educational Trusts with a total balance sheet value of £6,452,882, which have trust purposes supporting the advancement of education in Aberdeen. That sum includes a total revenue figure of £1,798,460.

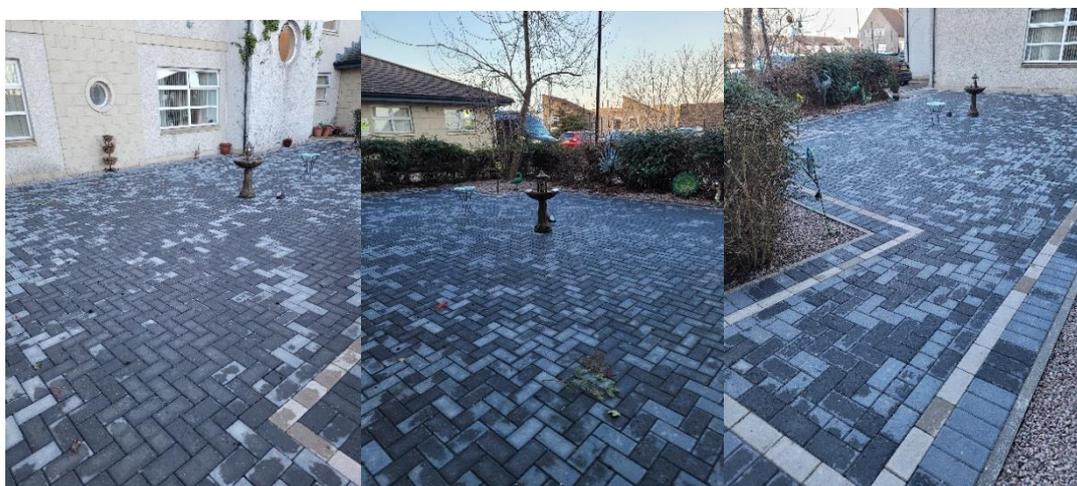
- 3.2.1. In October 2020, a bequest to the Council of £129,030.50 was added to an existing trust - the Elizabeth H. Bain Bequest (for music tuition and instruments for pupils in city schools).

3.3. Children's Social Work Trusts

- 3.3.1. There are 11 Children's Social Work Trusts with a total balance sheet value of £54,731, which have been established to support the delivery of social work services. That sum includes a total revenue figure of £25,313.
- 3.3.2. Integrated Children's and Family Services intend to utilise funds from the Richard Garden Trust and the Disabled Living Centre Trust for mobility adaptations and ramp equipment and this is being progressed.

3.4. Adult Social Work Trusts

- 3.4.1. There are 20 Adult Social Work Trusts with a total balance sheet value of £302,995 that relate to specific adult social work functions or specific residential homes. That sum includes a total revenue figure of £159,331.
- 3.4.2. A request from Bon Accord Care for funds from the Fergus House – Comforts Fund for patio and paving works was received and approved. Work was completed in December 2020, utilising £5,850 from that Fund. These works have provided residents with an outdoor area at the front of the building from which they can view their surroundings (see photographs below).



- 3.4.3. The purchase of outdoor furniture and a garden shed for Fergus House Care Home, as requested by Bon Accord Care, is being progressed. The items will be purchased in time for next summer, utilising approximately £4,000 from the Fergus House – Comforts Fund.
- 3.4.4. Similarly, the purchase of outdoor furniture and a summer house for Rosewell Care Home, as requested by Bon Accord Care, is in progress. The items will be purchased in time for next summer, utilising funding from the Rosewell – Comforts Fund.

3.4.5. The commissioning of patio/paving works for Balnagask Care Home, again as requested by Bon Accord Care, is also underway. This will utilise funding from the Balnagask Home-Comforts Fund and the Friends of Balnagask Court Fund.

3.5. Arts & Culture Trusts

3.5.1. There are 24 Arts & Culture Trusts with a total balance sheet value of £6,482,526. That sum includes a total revenue figure of £3,190,760.

3.5.2. Officers were informed in April 2021 that a bequest (subsequently confirmed as £3,000) had been left to the Council – which will be used by Aberdeen Central Library for the conservation of local history resources.

3.5.3. The Aberdeen Gomel Trust transferred €1701,30 (£1,500) to the Gomel Charitable Public Organization (“Association of Families having disabled children and young people with cerebral palsy and spinal and brain pathologies”) in July 2021 – for the purchase of a stroller and orthopaedic mattresses.

3.5.4. The following items have been purchased by the Council for Aberdeen Art Gallery, utilising contributions from Aberdeen Art Gallery Trusts:

- Tourmaline pendant
- ‘Big Question’ teapot
- Plique a Jour neckpiece and ring

The purchase of the pendant and teapot (both the work of Graham Stewart) was supported with a contribution of £5,500 from Aberdeen Art Gallery Trusts in July 2021. The purchase of the Plique a Jour neckpiece and ring (both the work of Dorothy Hogg) was supported with a contribution of £4,000 from Aberdeen Art Gallery Trusts in February 2021. These items will go on display in Aberdeen Art Gallery in December 2021 in an exhibition celebrating new acquisitions.

3.6. The Lord Provost’s Charitable Trust

3.6.1. The Lord Provost’s Charitable Trust’s Aberdeen Covid-19 Emergency Appeal, organised in partnership with The Seven Incorporated Trades of Aberdeen and with input from various Council clusters, has raised just over £300,000 since its launch on 1 May 2020. £298,896 has been allocated to 42 charities for 60 initiatives. More recently, the LPCT’s Aberdeen Afghanistan Appeal raised £3,610 (not including gift aid) to assist Afghan families moving to the UK under a government relocation scheme.

3.7 Bridge of Don Fund (SC018551) – Change of Name

- 3.7.1 As instructed by Council, the Chief Officer – Governance sought the approval of OSCR for the name of this charity to be changed to the Bridges of Aberdeen Heritage Trust. OSCR approved this change of name with effect from 27 April 2021.

3.8 Robb's Trust

- 3.8.1 As instructed by Council, Councillor Cross was nominated for appointment to Robb's Trust as a trustee. This appointment was subsequently made by the trustees of Robb's Trust.

3.9 Next Steps - 2022

- 3.9.1 Throughout the coming year, the Chief Education Officer, Chief Officer – Integrated Children's and Family Services, Chief Officer – Aberdeen City Health and Social Care Partnership and Chief Officer – City Growth will continue to promote the work of the trusts. Members are encouraged to highlight to the relevant Chief Officer any opportunities they identify for the potential utilisation of trust funds.
- 3.9.2 In terms of the Council's Powers Delegated to Officers, Chief Officers have the power to approve the making of payments from the funds of "Council-only" trusts in respect of which they are the lead Council officer - following consultation with the Chief Officer – Finance and provided always that such payments are in accordance with the relevant trust deeds.
- 3.9.3 It is also intended to bring to Council next year, for its approval, constitutional documents for the Lands of Skene (SC018533) and Lands of Torry (SC021299) trusts.

4. FINANCIAL IMPLICATIONS

- 4.1 The effective and efficient management of these trusts will maximise the funds available for expenditure on the trust purposes. The majority of trusts have a finite income and limited resources and should be viewed as a means of helping to support the provision of our services, providing the opportunity of delivering additional benefit to the city and its people. As such, trust funds do not represent a recurring income source to support the discharge of the Council's core statutory duties.

5. LEGAL IMPLICATIONS

- 5.1 Trusts must operate in compliance with trust law and, where applicable, charity law. This report provides an overview of activities intended to ensure continued sound governance of trusts and appropriate use of the funds for the trust purposes.

6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
Strategic Risk	None	N/A	N/A
Compliance	If a trustee fails to comply with their legal duties, they may be held responsible for resultant losses and OSCR may take action against them.	L	Council officers provide support to the Council as a whole and to individual councillor trustees to help them comply with their duties.
Operational	None	N/A	N/A
Financial	Failure to maximise the funds available for trust purposes.	L	Council officers provide support to trustees to help them make appropriate decisions on the finances of trusts.
Reputational	Failure to comply with legal duties may lead to adverse publicity.	L	Trustees should continue to follow best practice guidance and take advice where appropriate.
Environment / Climate	None	N/A	N/A

7. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
Impact of Report	
Aberdeen City Local Outcome Improvement Plan	
Prosperous Economy Stretch Outcomes	The specific proposals in this report (concerning noting and future reporting) have no direct impact on the Council Delivery Plan. However, these Trusts were created for the benefit of the people of the city of Aberdeen. They have various purposes including the advancement of education, heritage, arts, culture, health, recreational activities and facilities, and the prevention or relief of poverty. Disbursement of the funds and rationalisation of the Trusts should

	help ensure that the available funds are used as efficiently and effectively as possible to help contribute to the delivery of the outcomes set out in the Local Outcome Improvement Plan.
Prosperous People Stretch Outcomes	Same as above.
Prosperous Place Stretch Outcomes	Same as above.
UK and Scottish Legislative and Policy Programmes	Charities and Trustee Investment (Scotland) Act 2005, and other trust legislation.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	Full impact assessment completed.
Data Protection Impact Assessment	Not required

9. BACKGROUND PAPERS

[Governance Review of Trusts - Update - GOV/19/446 \(reported to Council on 9 December 2019\)](#)

[Governance Review - Trusts - Service Update \(15 December 2020\)](#)

10. APPENDICES

Appendix A – Educational Trusts
Appendix B – Children’s Social Work Trusts
Appendix C – Adult Social Work Trusts
Appendix D – Arts & Culture Trusts

11. REPORT AUTHOR CONTACT DETAILS

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