

BIRMINGHAM CITY COUNCIL

TRUSTS AND CHARITIES COMMITTEE 12 NOVEMBER 2015
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PRESENT: Councillor Phil Davis in the Chair

Committee Members:
Councillor John Alden (JA)
Councillor Hendrina Quinnen (HQ)
Councillor Paul Tilsley (PT)

Officers:
Rajesh Parmar, (RP) Senior Solicitor, Legal & Democratic Services, Rahema Begum (RB),
Legal & Democratic Services, Mark Szurminski (MS), Senior Business Analyst, Corporate
Finance, Nigel G Oliver (NGO), Property Manager, BPS.

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NOTICE OF RECORDING & PRELIMINARY MATTERS

The Chairman advised the meeting to note that members of the press/public may record and take photographs except where there are confidential or exempt items.

RB explained to Members that item 12 on the agenda was not included at the time of send out, but was sent as a supplementary. Some members expressed that they had not received this and hard copies were provided.

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APOLOGIES

Apologies for non-attendance were submitted on behalf of:

Councillor David Pears
Councillor Ian Cruise
Councillor Ansar Ali Khan

740

MINUTES

The public minutes of the meeting on 23 September 2015, were confirmed as an accurate record.

741

MATTERS ARISING

Cllr Alden pointed out a number of drafting errors. These were noted.

DECLARATIONS OF INTERESTS

The Chairman reminded Members that they must declare all relevant pecuniary interests and/or non-pecuniary interests relating to any items of business to be discussed at this meeting. If a pecuniary interest is declared a Member must leave the room or Chamber where the meeting is being held, unless a dispensation has been obtained from the Authority's Standards Committee. Any declarations or leaving of the room/chamber will be recorded in the minutes of the meeting.

None were declared.

SOLE CORPORATE TRUSTS - GRANTS

MS presented the report and stated that the report was to inform members to consider the various officer recommendations of increasing more charitable activities. Subject to Committee approving the recommendations these can be advanced in the short, medium and long term. One of the recommendations was for Birmingham Municipal Charity (BMC) and Elford Trust to use the administrative resources within the Harriet Louisa Loxton (HLL) administer grants on the trusts behalf. HLL would then be able to charge the trusts for the support. Another suggestion was to review the mechanics of the (BMC) to increase the level of grants awarded by reviewing the current objectives to explore the possibility of transferring funds from the endowment to the unrestricted funds, as well as increasing the level of charitable donations that can be transferred to the unrestricted funds. MS further advised that the long term goals were to review all sole corporate charitable trusts in order to establish if charitable objectives could be changed to disburse grants. This however may require formal approval by the Charity Commission.

The Chairman stated the aim was to create greater charitable grant activity focused via the BMC, involving a more flexible grant level and improved ability to respond, to the benefit of the community and people of Birmingham.

Councillor Tilsley asked for more detail of the Elford Estate funds.

Councillor Alden asked that his objection be noted in relation to BMC, to transferring the amount proposed annually from Restricted Funds to Unrestricted. Noted.

The Chairman confirmed that the driver for this was to become better at engaging people and not end up sitting on the money. Cllr Davis said members would have further power of decision on any changes concerning particular trusts, including fund transfers into BMC, if and when these arose. Councillor Alden queried whether Charity Commission approval will be sought for the transfer. RP advised that Charity Commission approval would be required if changing the objectives of the trust and transfer of funds.

Councillor Alden queried what progress had been made in terms of the key tasks. MS advised in respect of the consolidation of trusts that it was an ongoing process, WJ Loxley has been consolidated and there are possibly three more custodian trusts that can be consolidated into the BMC. However, approval would be needed from the trustees of these Trusts.

RESOLVED:-

Committee noted the report and agreed the recommendations.

744

BIRMINGHAM MUNICIPAL CHARITY – REVISED MECHANICS OF FUNDING

MS advised members that this report links to the earlier reform of the TCC grants process and was seeking to review the mechanics of funding as set out in paragraph 5 of the Report. It proposed to identify £50K per annum for grant-aid, with appropriate transfers from Restricted to Unrestricted Funds. The level of grants to be awarded per application would be raised to £10K. The Chairman stated that amendments to the Mechanics of Funding paper would give greater flexibility to grant awards on a case by case basis. The Chairman also informed Members that there has been limited applications received, and around 2-3 grants have been awarded in this financial year. The Chairman also informed Members that Jon Warlow, Director of Finance raised his concerns over the lack of activity taking place with Sole Corporate trusts. The Chairman also advised that a Grants Panel (made up from Members of Committee) vetted the applications and then brought back their recommendations to Committee for approval.

Councillor Alden stated that he did not agree with the proposed transfer of funds from the trusts endowment to the restricted funds. He also queried why the funds balances had gone down. MS advised that CCLA are the Trusts appointed fund managers and that unfortunately the investments had underperformed due to the volatility of markets.

Councillor Tilsley raised the point about Members responsibility and stated that as long as it accords with 6.1 of the report then Members were safe from any criticism. Councillor Alden pointed out that as part of the Members appointment by BCC, there would be indemnity insurance to cover Councillors. RP advised that generally speaking if Members are acting in the best interests of the Charity and in accordance with legal advice then they would be covered under the Council's insurance policy for Members and Officers.

Councillor Alden requested that his objection against the £50k transfer of restricted funds is recorded and voted against the recommendations of the report.

RESOLVED:

Committee agreed the Report.

745

BIRMINGHAM MUNICIPAL CHARITY – AWARD OF GRANT (SEQUEL)

MS introduced the Report and referred Members to the application details set out in Appendix 3, which sets out application in more detail.

Councillor Alden pointed out that at section 5.6 of the report, there is reference to the funds as 'income' but it should be referred to as an 'asset' or 'combined value' not income.

RESOLVED:

Committee approved the Report and grant to the Sequel Trust a sum of £500.00 to support a beneficiary of the trust who resides in Northfield, Birmingham.

746

HIGHBURY TRUST APPOINTMENT OF AUDITOR TO UNDETAKE INDEPENDENT EXAMINATION OF THE TRUST ACCOUNTS.

Again, MS presented the report and informed committee of the action taken by the Chairman to authorise the appointment of an auditor to undertake an independent examination of Highbury Trusts 2014/15 accounts, as required by the Charity Commission.

RESOLVED:

Committee noted the Report.

747

CENTRE FOR THE CHILD TRUST

RB informed the Chairman that the report author had contacted the Council House reception to inform committee that she has been involved in an accident and will not be able to make it to the meeting. The Chairman noted this and asked for the matter to be referred to the next committee and sent the Committee's well wishes to Linda Monk.

RESOLVED:

Deferred to the next committee.

748

WILLIAM WALTER HINDE FOR OPEN SPACE (REG. CHARITY NO.522893) – LAND ADJOINING 18 ROSE HILL, LICKEY HILLS

NGO presented the report to Members for noting the court action in relation to the adverse possession and the settlement agreed. The full detail of the settlement needs to be read in conjunction with the private report.

RESOLVED:

Committee noted the report.

749

EVENTS & ACTIVITIES IN PARKS ON TRUST LAND

Peter Short presented the report and gave background to the procedures for events in parks and confirmed all events held in 2014/15 are listed in the appendix. Peter explained that there are over 22 different park sites which

hold various events over the year. There is a formal application process in place for holding events in parks. All holders are encouraged to follow this procedure to ensure proper safeguards are in place for the event. PS also confirmed that various franchises are granted in the parks which provide facilities to encourage the use and activities within the Parks and provide some opportunity for income generation to assist in responses to the current budgetary restraints. One of the more popular parks is Cannon Hill Park. Peter explained that they are currently negotiating with a company to operate amusement rides, boats etc. and seeking to replace the contract in 2016/17.

The Chairman welcomed the report and queried with members what degree of reporting would they like.

A discussion followed on reporting arrangements, how park usage was recorded, the role of Friends groups and how this was policed.

NGO asked at what point does an event start? Peter Short stated that nothing could be done if just people turn up, but the public are encouraged to register their event with the Council so that officers can carry out a risk assessment. If the event was registered and approved then they would be covered by BCC's Public Liability insurance. The public would also get notification of the event as do local ward Councillors.

In response to questions raised by Councillor Quinnen and Councillor Alden over the list of BCC parks registered as charities. MS explained that it where a charity has an income of below £5,000 it was not required to register with the Charity Commission until the accounts showed that its income exceeded the threshold. Accounts had not currently been produced for all BCC parks on trust.

RESOLVED:

The Recommendations within the Report were approved.

750 APPOINTMENT OF THE CHAIRMAN OF THE NEW Highbury Independent Trust – FOR INFORMATION & NOTING ONLY

The Chairman reported to Committee on the successful interview process for the appointment of the shadow chair of the proposed new Trust for the management of Highbury Hall and estate. Following competitive interview, the interviewing panel had offered the role to Mr Les Sparks OBE.

Mr Sparks was Director of Planning & Architecture for Birmingham City Council from 1991 to 1999. From 1999 to 2001 he chaired the Expert Panel for Land & Buildings at the Heritage Lottery Fund (HLF) and from 2001 to 2008 he was a Commissioner of English Heritage. Since 2010 he has been chair of the West Midlands Committee of the HLF, a position he will vacate in March 2016, and chair of the Steering Group of the Ironbridge Gorge World Heritage Site. During an 11 year term as Director of Environmental Services at Bath City Council, he founded the Historic Towns Forum. He was awarded the OBE in 1997. He was born in Hall Green and now lives in Selly Park.

Members welcomed the appointment as a significant step towards the improved governance and protection of the Highbury estate, held in trust for the people of Birmingham. Further progress reports would be provided to Committee as the process of forming the new Trust - to be called the Chamberlain Highbury Trust - progressed.

RESOLVED:

Committee noted the verbal update from the Chairman.

751 **SCHEDULE OF OUTSTANDING MINUTES**

Minute 395

Committee agreed that this was a rolling item and committee to be advised of progress as and when.

Minute 651

NGO reported that they have had some discussions and cannot go back to the historical accounts. Councillor Alden stated that the Committee requires a report stating this. It was agreed that NGO would progress this report.

752 **OTHER URGENT BUSINESS**

None reported to Committee.

753 **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

“That the Chairman is hereby authorised to act until the next meeting of the Committee except that, in respect of the exercise of the Council’s non-Executive functions, the appropriate Chief Officers are hereby authorised to act in consultation with the Chairman and that the Director of Legal and Democratic Services is authorised to affix the Corporate Seal to any document necessary to give effect to a decision of the said officers acting in pursuance of the power hereby delegated to them; further that a report of all action taken under this authority be submitted to the next meeting and that such report shall explain why this authority is used”.

754 **EXCLUSION OF THE PUBLIC**

That in view of the nature of the business to be transacted which includes exempt information of the category indicated, the public be now excluded from the meeting.

Minutes of the last meeting

Exempt information paragraph 3

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Cllr Philip Davis
Chairman of Trusts and Charities Committee