

BIRMINGHAM CITY COUNCIL

TRUSTS AND CHARITIES COMMITTEE

WEDNESDAY, 17 JULY 2019 AT 10:30 HOURS
IN COMMITTEE ROOM 2, COUNCIL HOUSE, VICTORIA SQUARE,
BIRMINGHAM, B1 1BB

A G E N D A

1 APPOINTMENT OF COMMITTEE

(i) To receive the resolution of the City Council appointing the Committee for the Municipal Year 2019/2020 with the following Members:-

Labour
(6)

Councillor Akhlaq Ahmed (Chair)
Councillor Alex Aitken
Councillor Gurdial Singh Atwal
Councillor Shabrana Hussain
Councillor Mohammed Idrees
Councillor Mike Sharpe

Conservative (2)

Councillor Adrian Delaney
Councillor David Pears

(ii) To appoint a Vice Chair for the Committee for the Municipal Year 2019/2020.

2 NOTICE OF RECORDING/WEBCAST

The Chairman to advise/meeting to note that this meeting will be webcast for live or subsequent broadcast via the Council's Internet site (www.civico.net/birmingham) and that members of the press/public may record and take photographs except where there are confidential or exempt items.

3 DECLARATIONS OF INTERESTS

Members are reminded that they must declare all relevant pecuniary and non pecuniary interests arising from any business to be discussed at this meeting. If a disclosable pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the minutes of the meeting.

4 **APOLOGIES**

To receive any apologies.

5 - 10

5 **MINUTES - PUBLIC**

To note Part 1 of the Minutes of the last meeting of Trusts and Charities Committee held on 20 March 2019.

6 **MATTERS ARISING**

To discuss matters arising.

11 - 12

7 **TERMS OF REFERENCE OF THE TRUSTS AND CHARITIES COMMITTEE**

To note the Terms of Reference of the Committee.

8 **DATES OF FUTURE MEETINGS**

To agree that the meetings will be held at 1030 hours on the following Wednesdays at the Council House, **Committee Room 2** (Venue may change if site visit requested):-

2019: 19 September, 13 November

2020: 22 January, 18 March and 15 April.

13 - 18

9 **TRUSTS AND CHARITIES REVENUE BUDGET MONITORING 2018/19 - QUARTER 4 (TO 31 MARCH 2019)**

Report of the Chief Financial Officer.

10 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

11 **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

'In an urgent situation between meetings, the Chairman jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

12 **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:-

Exempt Paragraph 3

PRIVATE AGENDA

13 **MINUTES - PRIVATE**

Item Description

14 **MATTERS ARISING - PRIVATE**

To discuss matters arising.

15 **OTHER URGENT BUSINESS (EXEMPT INFORMATION)**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

BIRMINGHAM CITY COUNCIL

TRUSTS AND CHARITIES COMMITTEE 20 MARCH 2019

**MINUTES OF A MEETING OF THE
TRUSTS AND CHARITIES COMMITTEE
HELD ON WEDNESDAY 20 MARCH 2019
AT 1030 HOURS IN COMMITTEE ROOM 2,
THE COUNCIL HOUSE, BIRMINGHAM**

PRESENT: - Councillor Diane Donaldson in the Chair;

Councillors: Adrian Delaney, Mohammed Idrees, David Pears, Carl Rice and Lou Robson.

ALSO PRESENT:-

Sanjeev Bhopal – Committee Lawyer – Legal and Governance
Graham Arrand – Senior Business Analyst, Finance
Matthew Hageney – Parks and Nature Conservation
Phil Wright – Committee Manager, Legal and Governance
Les Sparks – Chairman, Chamberlain Highbury Trust
Mike Williams – Treasurer, Chamberlain Highbury Trust

NOTICE OF RECORDING

- 1009 The Chairman advised that the meeting will be webcast for live or subsequent broadcast via the Council's internet site (www.civico.net/birmingham) and that members of the press/public may record and take photographs.

The whole of the meeting will be filmed except where there are confidential or exempt items.

DECLARATIONS OF INTEREST

- 1010 The Chairman reminded Members that they must declare all relevant pecuniary and non-pecuniary interests arising from any business to be discussed at this meeting. If a disclosable pecuniary interest is declared a Member must not speak or take part in that agenda item. Any declarations will be recorded in the Minutes of the meeting.

Councillor Lou Robson indicated that, in noting that there was an item on the agenda relating to Highbury Hall, she was a Grants Officer at Heritage Lottery Funding (West Midlands).

APOLOGY

- 1011 An apology was submitted on behalf of Councillor Zhor Malik for his inability to attend the meeting.
-

MINUTES

- 1012 **RESOLVED:-**

That part I of the Minutes of the last meeting of the Trusts and Charities Committee held on 23 January 2019 was noted.

MATTERS ARISING FROM THE MINUTES

- 1013 There were no matters arising.
-

INTRODUCTION OF CAR PARKING CHARGES IN MAJOR PARK – VICTORIA COMMON

The following report of the Service Director – Sports, Events, Open Spaces and Well-being was submitted:-

(See Document No. 1)

Matthew Hageney, Parks and Nature Conservation, introduced the report and responded appropriately to Members questions.

During the ensuing debate Councillor David Pears noted that appendix one of the report had not been circulated so the Committee did not have all the information to be in a position to reach a decision. Councillor Adrian Delaney commented on the impact the proposals to charge would have on users of the Library and local shops and parking in nearby roads.

Sanjeev Bhopal, Committee Lawyer, advised the Committee it may be appropriate for consideration of the report to be deferred as the Committee did not have all the information to reach a decision.

The Chair proposed that consideration of the report be deferred.

Accordingly it was-

- 1014 **RESOLVED:-**

That consideration of the report be deferred as appendix 1 was missing from the report.

REVENUE BUDGET MONITORING 2018/19 – QUARTER 3 (TO 31 DECEMBER 2018)

The following report of the Chief Finance Officer was submitted:-

(See Document No. 2)

Graham Arrand, Finance Department introduced the report and responded appropriately to Members questions.

It was -

1015 **RESOLVED:-**

That the latest income and expenditure position of Trusts and Charities as at 31 December 2018 be noted.

SAREHOLE MILL RECREATION GROUND – LEASE OF SAREHOLE MILL TO BIRMINGHAM MUSEUM TRUST

The following report of the Director of Property was submitted:-

(See Document No. 3)

Sanjeev Bhopal, Committee Lawyer, introduced the report and responded to comments from Councillors David Pears and Lou Robson.

It was -

1016 **RESOLVED:-**

That the action of the Chairman, in consultation with officers, in agreeing to the terms for the completion of an Agreement for Lease and subsequently the grant of a lease for 25 years of the Mill premises to Birmingham Museums Trust within the next 12 months and to negotiate the terms of the agreement and lease and for the City Solicitor to prepare, negotiate, execute, seal and complete all necessary documentation to give effect to the above decisions and that the recommendation be referred to a future meeting of City Council as Trustee.

CHAMBERLAIN Highbury TRUST – UPDATE REPORT

Les Sparks, Chairman, Chamberlain Highbury Trust and Mike Williams, Treasurer, Chamberlain Highbury Trust updated the Committee in that the latest National Lottery Heritage Fund had been unsuccessful. They had been advised that it had been a good bid but there had be several bids competing for funds. The Trust was now reviewing the situation to enable a further bid to be made. It was noted that the new arrangements within the National Lottery Heritage Fund meant that the Trust would be bidding on a regional basis. They outlined the strands of the bid.

Trusts and Charities Committee – 20 March 2019

Les Sparks and Mike Williams made reference to the proposed budget set out in the documentation and noted that it included provision for an Activity Organiser to develop and organise events and Business Manager to support Trustees in developing and writing the new bid.

At 1110 hours Councillor Phil Davis, Trustee, attended the meeting.

At this point in the meeting Councillor David Pears queried what documentation was been referred to as it appeared Members had not received it.

At 1113 hours the Committee was adjourned.

At 1155 hours the meeting was reconvened.

The following report, entitled 'Highbury – Award of Trust Funds to Chamberlain Highbury Trust, of the Assistant Director of Property (Interim) was submitted:-

(See Document No. 4)

Councillor Lou Robson reiterated her non-pecuniary interest in her capacity as an Grants Officer at Heritage Lottery Funding (West Midlands) but that in this capacity she had not been involved in assessing any bids from any organisations within City of Birmingham. She noted that she intended not to vote but did wish to ask a question and she was advised that she could remain in the meeting.

Sanjeev Bhopal, Committee Lawyer, made introductory comments relating to the report.

Les Sparks and Mike Williams responded to a question from Councillor David Pears relating to the deadlines for the grant of the trust funds.

Sanjeev Bhopal, Committee Lawyer, indicated that recommendations in the report should be amended as follows:-

- (i) 'To note that a request for a grant to Chamberlain Highbury Trust from the Highbury Estate funds as set out in Appendix 1 of the private report has been made today: and
- (ii) that subject to the agreement by the Committee to the recommendations in the private report, to instruct officers in Finance and Legal Services to take all necessary steps to facilitate the award of the grant to Chamberlain Highbury Trust and report back to a future Committee meeting, once the grant application project has been completed.'

It was –

1017

RESOLVED:-

- (i) To note that a request for a grant to Chamberlain Highbury Trust from the Highbury Estate funds as set out in Appendix 1 of the private report has been made today: and

- (ii) that subject to the agreement by the Committee to the recommendations in the private report, to instruct officers in Finance and Legal Services to take all necessary steps to facilitate the award of the grant to Chamberlain Highbury Trust and report back to a future Committee meeting, once the grant application project has been completed.
-

DATE OF NEXT MEETING

1018 **RESOLVED:-**

It was agreed that the next meeting of the Trusts and Charities Committee be held on Wednesday 17 April 2019 at 1030 hours in Committee room 2, The Council House.

OTHER URGENT BUSINESS

1019 No items of other urgent business were raised.

AUTHORITY TO CHAIRMAN AND OFFICERS

1020 **RESOLVED:-**

In an urgent situation between meetings, the Chairman jointly with the relevant Chief Officer has authority to act on behalf of the Committee.”

EXCLUSION OF THE PUBLIC

1021 **RESOLVED:-**

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 and Matters arising.	Exempt paragraph 3
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Highbury – Award of funds by Birmingham City Council	Exempt paragraph 3
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TRUSTS & CHARITIES COMMITTEE

Terms of Reference

To exercise the administrative powers and duties of Full Council (as Trustee) in relation to all trusts for which the Council is sole trustee (the "City Trusts").

To exercise the administrative powers of the "Council as Trustee" in accordance with the relevant governing documents of each trust and Charity Commission Scheme(s).

- (a) Upon receipt from officers, to approve annual reports and accounts.
- (b) Approve Charity Commission returns and all other regulatory documents.
- (c) Respond to enquiries from Auditors or Independent Examiners.
- (d) Inquire of and respond to the Charity Commission and any other regulatory bodies.
- (e) Full Council sitting as "Council as Trustee" will be responsible for decisions concerning the use and/or disposal of charity property and assets, and will delegate the management of any City Trust to the Trusts and Charities Committee, with assistance from the Legal Services Team as and when required.
- (f) To act as accountable manager for the Trusts and Charities, and be authorised to take all necessary administrative decisions and continue to report to Council Business Management Committee (as Trustee) as and when required.
- (g) To compile and maintain a comprehensive and up to date list of the City Trusts.
- (h) To take any other action deemed appropriate or necessary to ensure the proper management and administration of the City Trusts.

Birmingham City Council – Council as Trustee

PUBLIC REPORT

Report to:	Trust and Charities Committee	<i>Exempt information paragraph number – if private report:</i>
Report of:	CHIEF FINANCIAL OFFICER	
Date of Decision:	17 July 2019	
SUBJECT:	REVENUE BUDGET MONITORING 2018/19 – QUARTER 4 (TO 31ST MARCH 2019)	
Key Decision: —Yes— / No	Relevant Forward Plan Ref: No	
If not in the Forward Plan: (please "X" box)	Chief Executive approved	<input type="checkbox"/>
	O&S Chairman approved	<input type="checkbox"/>
Relevant Cabinet Member(s):	N/A	
Relevant O&S Chairman:	N/A	
Wards affected:	All	

1. Purpose of report:
1.1 The appendices within this report notes the income and expenditure position for the Trusts and Charities as at Quarter 4, (up to 31 ST March 2019).

2. Decision(s) recommended:
2.1 To note the latest income and expenditure position of Trusts and Charities as at 31st March 2019.

Lead Contact Officer(s):	Graham Arrand
Telephone No:	0121 464 3003
E-mail address:	Graham.Arrand@birmingham.gov.uk

3.	Consultation
	Consultation should include those that have an interest in the decisions recommended
3.1	<u>Internal</u> The Chairman of the Committee has been consulted in the preparation of this report and agrees in principle with its contents.
3.2	<u>External</u> N/A
4.	Compliance Issues:
4.1	<u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u> N/A
4.2	<u>Financial Implications</u> (Will decisions be carried out within existing finance and Resources?) The financial information provided relates to balances brought forward from 2017/18 and in year (2018/19) movements in expenditure and income. The opening balance as at the 1 April 2018 was £28.869m. Income up to the final quarter was £0.611m, expenditure £0.562m and gains/revaluation on investments amounted to £1.079m. At the end of the quarter 4 (up to 31 st March 2019) the closing balance stood at £29.997m. An analysis of income and expenditure for each Trust Fund is shown in Appendix 1.
4.3	<u>Legal Implications</u> Management and governance arrangements for Charitable Trusts are set out in the constitution under which they were established. Charity Trustees must also comply with Charities Act 2011, Trustee Act 2000 and other relevant legislation and guidance issued by the Charity Commission. The assets of a charity must be used in accordance with charitable law, failing this will give rise to a breach of trust. Legal sanction can follow from either the beneficiaries of the charitable trust and/or Charity Commission. Decisions made by the charity must be appropriate to the interests of the charity at all times. The Committee has empowered officers within the Council to discharge certain functions on its behalf as Council as Trustee.
4.4	<u>Public Sector Equality Duty (see separate guidance note)</u> None. The statutory functions discharged by the Council as Trustee are subject to a separate and distinct statutory regime underpinned (principally) by the Charities Act 2011, Trustee Act 2000 and relevant Charity Commission guidance. These are non-executive functions and are therefore not subject to the Equalities Act 2010 provisions

5.	Relevant background/chronology of key events:
5.1	Historically, assets including cash have been bequeathed or gifted to the City Council on trust for a group of beneficiaries. These funds must be maintained in trust both legally and financially and be distinct from City Council's own resources. Each trust has its own objectives or purposes and it is the responsibility of the Trusts and Charities Committee to exercise management decisions of these charitable trusts in accordance with charity law, and Charity Commission guidance.
5.2	Each Trust registered with the Charity Commission is required to annually submit an annual Report and Accounts, ten months after the end of the financial year, except where gross annual income is less than £25,000. Below this threshold, external scrutiny is only needed if this is set out in the Charity's governing document. The accounts of such Trusts are required to have been independently examined if gross income is between £25,000 and £500,000, and if the income exceeds £500,000 a full audit is required. An audit will also be required if total assets (before liabilities) exceed £3.26m, and the charity's gross income is more than £250,000.
5.3	This is the final report in the quarterly series for 2018/19. The information provided in Appendix 1 identifies income and expenditure for the period ending 31 st March 2019.

6.	Evaluation of alternative option(s):
6.1	Alternative options are not appropriate for this report.

7.	Reasons for Decision(s):
7.1	To ensure the Committee is aware of the current financial position for Trusts and Charities.

Signatures	<u>Date</u>
Chief Finance Officer
Chairman

List of Background Documents used to compile this Report:
1. Information provided by Directorates.
List of Appendices accompanying this Report :
<u>Appendix 1 - Quarter 4 Position 2018-19 Trust Funds.</u>

Quarter 4 - 2018/19 Income and Expenditure and Trust Funds Balances - to 31 st March 2019

		(A)	(B)	(C)	(D)	(E)
Scheme	Directorate	Opening Balance 1.4.2018	Income	Expend	Investments Gains (+) Losses (-)	Closing Balance 31.03.2019
<u>Sole Corporate Trustee</u>						
Harriet Louisa Loxton Trust	<u>Adults</u>	1,838,896	51,501	95,258	109,117	1,904,256
Cropwood Estate	<u>Childrens</u>	14,786,299	19,905	232	66,544	14,872,516
Lily Adia Jones Charity	Place	77,586	4,713	1,369		80,930
Charles Baker Trust	Place	254,048	9,649	2,331		261,366
The Elford Estate Charity	Place	3,547,025	18,000	15,193	605,672	4,155,504
Highbury Trust	<u>Finance &Governance</u>	2,033,706	115,176	112,389		2,036,493
Birmingham Municipal Charity	<u>Finance &Governance</u>	699,963	21,391	3,994		717,360
Centre for the Child	Place	31,945	175	1,169		30,951
Young Active Travel- Birmingham Charitable Trust	Place	100,000	0	5,500		94,500
Sub-Total Sole Corporate Trustee		23,369,468	240,510	237,435	781,333	24,153,876
<u>Custodian Trustee</u>						
Clara Martineau Charity	<u>Childrens</u>	4,072,040	135,789	152,382	297,766	4,353,213
Birmingham Bodenham Trust	Childrens	695,341	50,048	20,076		725,313
Alderson Disabled ex servicemen's Homes trust	Place	464,293	123,396	88,144		499,545
Moseley Road Friends Institute	Place	224,400	56,317	62,117		218,600
Sir Whitworth Wallis Trust	Finance &Governance	41,636	4,429	1,575		44,489
Charity of John Billingsley the Elder	Finance &Governance	2,117	25	0		2,142
Sub-Total Custodian Trustee		5,499,827	370,004	324,294	297,766	5,843,303
Total		28,869,295	610,513	561,728	1,079,099	29,997,179

