

REPORT TO BUCHAN AREA COMMITTEE – 15 MARCH 2022

ABERDEENSHIRE CHARITIES TRUST (ACT2) – FINANCIAL MANAGEMENT

1 Executive Summary/Recommendations

1.1 This report outlines the financial management required for Aberdeenshire Charities Trust (ACT2) and the need to review current maximum and minimum thresholds for grant awards and the split between Revenue and Capital balances at Area Committee level.

1.2 The Committee is recommended to:

1.2.1 Review current maximum and minimum thresholds of awards and agree that either these thresholds are still appropriate, or agree new thresholds;

1.2.2 Review the split of ward balances between Capital and Revenue and agree that either these are still appropriate, or agree a new split; and

1.2.3 Agree to receive a report to review the thresholds and Capital and Revenue splits following the next review of ACT2 by the ACT2 Committee.

2 Decision Making Route

2.1 Following consideration of the ACT2 Annual Report detailing the financial position of the trust for financial years 2019/20 and 2020/21 at the ACT2 Committee on the 18th of November 2021, there is a requirement to review the maximum and minimum levels of grants for each fund and review the Capital and Revenue splits at Area Committee Level.

3 Discussion

3.1 ACT2 is obligated to ensure the effective financial management of the funds held. Applications to the trust are considered and determined by Area Committee to ensure local decision making.

3.2 At the meeting of ACT2 on 18th November 2021, it was noted there had been a substantial increase in the level of applications received in 2019/20 and 2020/21 when compared to 2018/19 suggesting a greater awareness of the ACT2 across Aberdeenshire, however there is still very little uptake in some areas. For Buchan, no awards were made in 2020/21 and no applications which meet the criteria have been received to date for 2021/22.

- 3.3 Area Committees agree both the maximum and minimum thresholds for each area under each charitable purpose. Details of the thresholds agreed by Buchan Area Committee for applicants can be found at Appendix 1. Amending the thresholds could attract more applicants.
- 3.4 Appendix 2 shows a list of balances currently held within the Buchan area, including the split between Revenue and Capital. All ACT2 funds are invested in the Councils Loans Fund and interest is earned on balances irrespective of whether they are held in Capital or Revenue. It is advised that a healthy amount is held in revenue balances so that funds are readily available to be distributed as grants.
- 3.5 It is important that officers and trustees continue to promote ACT2 whenever possible to ensure that a good level of applications is maintained.

4 Council Priorities, Implications and Risk

- 4.1 This report helps deliver all six of the Councils priorities:

Pillar	Priority
Our People	Education Health & Wellbeing
Our Environment	Infrastructure Resilient Communities
Our Economy	Economy & Enterprise Estate Modernisation

- 4.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	X		
Staffing		X	
Equalities and Fairer Duty Scotland		X	
Children and Young People's Rights and Wellbeing		X	
Climate Change and Sustainability		X	
Health and Wellbeing		X	
Town Centre First		X	

- 4.3 There are no staffing implications within this report.
- 4.4 The screening section as part of Stage One of the Integrated Impact Assessment has not identified the requirements for any further detailed assessments to be undertaken. Section 193 of the 2010 Equality Act contains an exemption for charities which make positive discrimination to groups or

individuals on the basis of their disadvantage. Insofar as the charity purposes discriminate positively in favour of individuals or groups on the basis of poverty, age, disability, or other disadvantage, and does not have a differential impact on any of the protected characteristics.

- 4.5 The following Risks have been identified as relevant to this matter on a Corporate Level: ACORP001 – Budget Pressures. No risks have been identified as relevant to this matter on a Strategic Level.

5 Scheme of Governance

- 5.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and had no comments to make and are satisfied that the report complies with the Scheme of Governance and relevant legislation.
- 5.2 The Committee is able to consider and take a decision on this item in terms of Section B.2.1 of Part A of the Scheme of Governance as it relates to the administration of trusts controlled by the Council for the benefit of its Area.

Ritchie Johnson, Director of Business Services

Report prepared by Fiona Massie, Team Leader
Date 11th January 2022

List of Appendices

Appendix 1 - Maximum and Minimum Grant Levels
Appendix 2 - Financial Position – as at 31/12/21

Appendix 1 - Maximum and Minimum Grant Levels

WARD 4 – CENTRAL BUCHAN				
Fetterangus, Longside, Maud, Mintlaw, New Deer, New Pitsligo, Strichen and Stuartfield				
	Trust Purpose	Applicant	Minimum	Maximum
	Prevention or relief of poverty	Individual	None	£500.00
		Organisation	None	£1,000.00
	Relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage	Individual	None	£500.00
		Organisation	None	£1,000.00
WARD 5 – PETERHEAD NORTH AND RATTRAY				
Crimond, St. Combs, St. Fergus and Peterhead				
	Trust Purpose	Applicant	Minimum	Maximum
	Prevention or relief of poverty	Individual	None	£500.00
		Organisation	None	£1,000.00
	Relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage	Individual	None	£500.00
		Organisation	None	£1,000.00

APPENDIX 2 - FINANCIAL POSITION

ABERDEENSHIRE CHARITIES TRUST (ACT2)

		Dec-21	Dec-21
	Name of Trust	Revenue	Capital
		£	£
1	Central Buchan (Buchan Area) Ward 4 - prevention/relief of poverty and those in need	2,192.81	0.00
2	Peterhead North & Rattray (Buchan) Ward 5 - prevention/relief of poverty and those in need	200.63	464.20
		2,393.44	464.20