

## **REPORT TO KINCARDINE & MEARN'S AREA COMMITTEE – 12 FEBRUARY 2019**

### **ABERDEENSHIRE CHARITIES TRUST (ACT2) – FINANCIAL MANAGEMENT**

#### **1. Recommendations -**

**It is recommended that the Area Committee:**

- 1.1 Review current maximum and minimum thresholds of awards and agree that either these thresholds are still appropriate, or agree new thresholds;**
- 1.2 Review the split of ward balances between Capital and Revenue and agree that either these are still appropriate, or agree to a new split;**
- 1.3 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. Background / Discussion**

- 2.1 ACT2 (Aberdeenshire Charities Trust) (“ACT2”) is obligated to ensure the effective financial management of the funds held. At a meeting of the ACT2 Committee on 27<sup>th</sup> September 2018, officers advised members that Area Committees would review the maximum and minimum awards, as well as the split between Capital and Revenue for the ACT2 budgets.**
- 2.2 Applications to the trust are determined by Area Committee to ensure local decision making. At the meeting of ACT 2 on 27<sup>th</sup> September 2018, it was noted there has been very little uptake of funding available during the year. For Kincardine & Mearns, no awards were made. It was agreed by ACT 2 to continue to publicise the funding available and to monitor uptake for a further 12 months.**
- 2.3 Area Committees agree both the maximum and minimum thresholds for each area under each charitable purpose. Details of the thresholds for individuals applying to Kincardine & Mearns can be found at Appendix 1. In addition to this, groups can apply for up to £1,000 funding.**
- 2.4 Appendix 2 shows a list of the balances currently held within the Kincardine & Mearns area, including the current split between Revenue and Capital. Revenue being the amount held within the trust for distribution to beneficiaries and capital being the amount invested within the Council’s Loans fund to**

generate interest for the trust. ACT 2 currently receives the average monthly rate received by the Council. To date this has been approximately 0.6772% in 2018/19.

- 2.5 The Corporate Communications Team is currently working on a strategy to increase awareness of ACT2. In addition to this, Members are encouraged to make local organisations or individuals that they deal with who may benefit from financial assistance, aware of the fund. Potential applicants may be directed to their local Area Office.
- 2.6 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

### **3 Scheme of Governance**

- 3.1 The Committee is able to consider and take a decision on this item in terms of Section B.2.1 Part 2A of the Scheme of Governance as the item relates to the administration of the trusts controlled by the Council.

### **4 Equalities, Staffing and Financial Implications**

- 4.1 An equality impact assessment is not required because Section 193 of the 2010 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, there is no discrimination on the basis of any other protected characteristic (such as gender or religion). No negative impact on any individual or group as a result of this reorganisation has been identified.
- 4.2 There are no staffing implications arising from this report.
- 4.3 The financial implications are as included in the body of the report.
- 4.4 No risks have been identified in relation to this report.

**Ritchie Johnson**  
**Director of Business Services**

Report prepared by: Shirley-Ann Gordon, Principal Accountant  
Date: 17 January 2019

**Appendix 1**

<b>KINCARDINE AND MEARNNS</b>			
<b>WARD 17 – NORTH KINCARDINE Newtonhill and Portlethen</b>			
	<b>Trust Purpose</b>	<b>Minimum Grant</b>	<b>Maximum Grant</b>
	The prevention or relief of poverty	<b>None</b>	<b>£500.00</b>
	The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.	<b>None</b>	<b>£500.00</b>
<b>WARD 18 – STONEHAVEN AND LOWER DEESIDE Drumoak and Stonehaven</b>			
	<b>Trust Purpose</b>	<b>Minimum Grant</b>	<b>Maximum Grant</b>
	The prevention or relief of poverty	<b>None</b>	<b>£500.00</b>
	The advancement of education.	<b>None</b>	<b>£500.00</b>
	The advancement of health.	<b>None</b>	<b>£500.00</b>
	The advancement of citizenship and community development.	<b>None</b>	<b>£500.00</b>
	The advancement of the arts, heritage, culture or science.	<b>None</b>	<b>£500.00</b>
	The advancement of public participation in sport.	<b>None</b>	<b>£500.00</b>
	The provision of recreational facilities, or the organization of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended.	<b>None</b>	<b>£500.00</b>
	The advancement of environmental protection or improvement.	<b>None</b>	<b>£500.00</b>
	Relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.	<b>None</b>	<b>£500.00</b>
<b>WARD 19 – MEARNNS Fettercairn, Gourdon, Inverbervie, Johnshaven, Laurencekirk and St. Cyrus</b>			
	<b>Trust Purpose</b>	<b>Minimum Grant</b>	<b>Maximum Grant</b>
	The prevention or relief of poverty	<b>None</b>	<b>£500.00</b>
	The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.	<b>None</b>	<b>£500.00</b>

**Appendix 2**

		<b>Dec-18 Revenue</b>	<b>Dec-18 Capital</b>
	<b>Name of Trust</b>		
1	North Kincardine (Kincardine & Mearns) Ward 17 - prevention/relief of poverty and those in need (Revenue) Stonehaven & Lower Deeside (Mearns Area) Ward 18 - prevention/relief of poverty and those in need	480.00	0.00
2		1,926.31	0.00
3	Stonehaven & Lower Deeside (Mearns Area) Ward 18 - any of the purposes of ACT2	4,711.74	0.00
4	Mearns (Kincardine & Mearns) Ward 19 - prevention/relief of poverty and those in need	83,992.70	2,567.19
		<b>91,110.75</b>	<b>2,567.19</b>

		<b>Dec-17 Revenue</b>	<b>Dec-17 Capital</b>
	<b>Name of Trust</b>		
1	North Kincardine (Kincardine & Mearns) Ward 17 - prevention/relief of poverty and those in need (Revenue) Stonehaven & Lower Deeside (Mearns Area) Ward 18 - prevention/relief of poverty and those in need	467.23	0.00
2		1,906.57	0.00
3	Stonehaven & Lower Deeside (Mearns Area) Ward 18 - any of the purposes of ACT2	4,678.55	0.00
4	Mearns (Kincardine & Mearns) Ward 19 - prevention/relief of poverty and those in need	83,565.55	2,567.19
		<b>90,617.90</b>	<b>2,567.19</b>