

REPORT TO ACT2 (ABERDEENSHIRE CHARITIES TRUST) – 9 MARCH 2017

ABERDEENSHIRE CHARITIES TRUST (ACT2) - CHARITABLE MANAGEMENT PLAN

1. Recommendations

The Trustees of ACT2 are recommended to:

1.1 Approve the Charitable Management Plan for ACT2 (Aberdeenshire Charities Trust) as Appendix 1 to this Report.

2. Charitable Management Plan

- 2.1 At the meeting on 19 November 2015, the Trustees instructed Officers to prepare a management plan for ACT2 (Aberdeenshire Charities Trust) ("ACT2") in order for the discharge of their functions under this Trust. In accordance with these instructions, Officers have prepared a management plan herein attached at Appendix 1. The Management Plan is drafted in 3 sections.
- 2.2 The first section details the history of the purpose of ACT2 and why the process of re-organisation was vital to the viability and effective administration of these Trusts. The Trust has now been re-organised according to ward area and subdivided according to the various purposes outlined within the Trust Deed. Some wards within Aberdeenshire have designated funds that are to be used specifically for that ward, and in accordance with specific purposes detailed within the Trust Deed. The available Trust funds were left by various benefactors throughout Aberdeenshire who wished these funds to be distributed in a specific way and within a specific locality. As a result not every ward within Aberdeenshire has access to the same level of funding. Appendix 1 of the management plan provides an overview of each ward area that has available charitable funding as well as indicating the charitable purposes which are applicable.
- 2.3 The second section of the Management Plan outlines the Trustees roles and responsibilities, within the context of the Trust Deed as well as the relevant legislation, namely, the Charities Trustee and Investment (Scotland) Act 2005. All elected Councillors acting in the capacity of Trustee have legal duties and responsibilities. These legal duties and responsibilities have been divided into general duties, which establish a broad framework that all Trustees must work within, and specific duties. These specific duties must be undertaken in order to ensure that the charity complies with charity law as well as other relevant legislation. These duties include, taking responsibility for the details of the Charity in the Scottish Register, reporting to OSCR any changes that need to be made in respect of ACT2, ensuring that proper accounting records are kept and ensuring that the information provided to the public in respect of ACT2 is accurate. The distinction that is made between these two types of duties reflects the division that has been made within the legislation. The management plan provides further details in relation to both aspects. In

addition, good practice guidance issued by OSCR, the Scottish Charities Regulator, has also been incorporated into the plan.

2.4 The third section of the plan outlines the strategy for the management and practical administration of ACT2. The Trustees previously approved the delegation of powers in respect of the routine administration of the Trust to the Area Committees of Aberdeenshire Council. On this basis, the new Scheme of Governance included a power for Area Committees to administer Council controlled Trusts for the benefit of their area.

2.5 Applications will be sought from either individuals or community groups who fulfil the charitable purposes. An individual must be in receipt of one of the following benefits to be able to apply:-

- Council Tax Reduction
- Housing Benefit
- Income Support
- Jobseekers Allowance (Income Based)
- Employment and Support Allowance (Income Related)
- Pension Credit Guarantee Credit
- Universal Credit

These benefits are all means tested and ensures that those in receipt have been assessed as being on a low income so that funds are distributed to those who need it most. Using this system also ensures that applicants do not need to provide additional financial information.

2.6 In order to ensure that the funds are as accessible as possible for those in need, application forms have been designed for each Ward area. This is to help applicants understand what they are entitled to apply for. The forms detail the charitable purposes applicable to each ward area and will also outline the maximum amount of funding that can be applied for once determined by Area Committee. Depending on the level of funds in each ward area, it may be necessary to limit the total number of applications that can be received and approved in any given year. Applications will be made to the local Area Managers office.

2.7 It is essential that an initial eligibility assessment of applications is undertaken by officers from Legal & Governance, Finance and where appropriate the Benefits Service, to ensure that applicants comply with the Trust Purposes. This is important so that no applicant receives money from the Trust that they are not entitled to. The application will then be brought to Area Committee for a decision. A more detailed outline of the application process can be found on page 11 of the management plan. It is anticipated that the whole process from the submission of an application right through to a decision being made by the Trustees will take approximately 3 months. As a result of the lengthy period of time taken to process an application, the Trust should not be relied upon to meet unexpected shortfalls that are time sensitive.

2.8 Successful applicants will not be able to reapply within 12 months after the initial application has been determined. This will provide an equal opportunity to individuals and organisations who have access to ward allocated funds. Where the final outcome of the application has been unsuccessful, the applicant will not be entitled to appeal against the decision of the Trust. The decision of the Trust will be final. This approach has been adopted to reflect

the thorough assessment of the application by the Legal & Governance and Finance Departments, as well as the Trustees. In addition, unsuccessful applicants will be provided with written notification of the decisions made by the Trust and the reasoning behind this decision. This approach will ensure that the Trust is seen to be both responsible and accountable for their decisions and actions, in the decision-making and management process of the trust, particularly in relation to the stewardship of charitable funds.

- 2.9 All decisions made by Area Committee shall be reported back to the Trust at the next AGM to enable all Trustees to monitor the effectiveness of the Management Plan and the distribution of funds.

Ritchie Johnson
Director of Business Services

Report prepared by Lauren Cowie, Acting Principal Solicitor (Governance)
Date 19th February 2017

ACT 2
(Aberdeenshire Charities Trust)
Management Plan

Registered Charity Number: SC045539

Registered Office

Aberdeenshire Council,
Woodhill House,
Westburn Road
Aberdeen
AB16 5GB

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1. Background to ACT2 (Aberdeenshire Charities Trust)

1.1: History

Aberdeenshire Council had been responsible for administering a number of individual charitable trusts which are now amalgamated into ACT2 (Aberdeenshire Charities Trust). Some trusts dated back to the 17th and 18th century, while the large majority were from the 19th and 20th centuries. The purposes of the charitable trusts were varied and this had resulted in the beneficiaries for each of the charitable trusts and funds being distributed among diverse social groups and across a wide geographical area within Aberdeenshire.

However, over time changes to our social and economic conditions meant that the administration of these funds become problematic due to a number of factors.

- Some of these funds had fallen into a state of disuse while some trusts no longer served any purpose due to the introduction of the health and social care system.
- The value of many of the individual funds had fallen to a point where they could not bear the cost of administration.
- Some of the funds were depleted to the stage that they could no longer support the purposes for which they were created.
- Many of the trusts were restricted so that any income gained from investing the capital trust fund only could be distributed however due to inflation and low interest rates the value of the capital had fallen to a point which could not produce more than a minimal income.
- Further pressure in respect of more stringent accounting regulations put in place by the introduction of the Office of the Scottish Regulator in 2005, as well as accounting regulations of local government legislation, had greatly increased the financial burden on individual charities, to present accounts for external auditing.

1.2: Reorganisation

ACT2 (Aberdeenshire Charities Trust) was therefore created in order to hold and administer these funds and assets for purposes that were considered more effective for those who needed assistance within specific areas of Aberdeenshire.

The ability to reorganise these individual charities into a single trust was made possible by the implementation of **the Charities and Trustee Investment (Scotland) Act 2005**. Section 39(1)(a) and (b) provide for the approval of a reorganisation scheme where:

- There have been changes in the social and economic conditions since the charity was set up, or,
- To enable the resources of the charity to be applied to better effect the charitable purposes consistently with the spirit of its trust deed, or,
- To enable the charity to be administered more effectively.

The creation of ACT2 allowed for the transfer of assets relating to 95 individual trusts which are now administered in accordance with its trust deed (Appendix 1). The trust deed establishes the manner in which these trusts can be administered and the purposes for which these trusts are intended. These purposes are:

- a) The prevention or relief of poverty
- b) Improving education
- c) Improving health
- d) The improvement of citizenship or community development.

- e) The development of the arts, heritage, culture or science.
- f) The development of public participation in sport.
- g) 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.
- h) The development of environmental protection or improvement.
- i) The relief of those in need by reason of age, ill health disability, financial hardship or other disadvantage.

These purposes have been selected as those being most relevant to the present charities purposes from section 7 of the 2005 Act. Should circumstances change, this can be reflected within the trust itself by adding any additional purposes with the agreement of the Office of the Scottish Charity Regulator (OSCR).

1.3: ACT2 – Organised by Council Ward

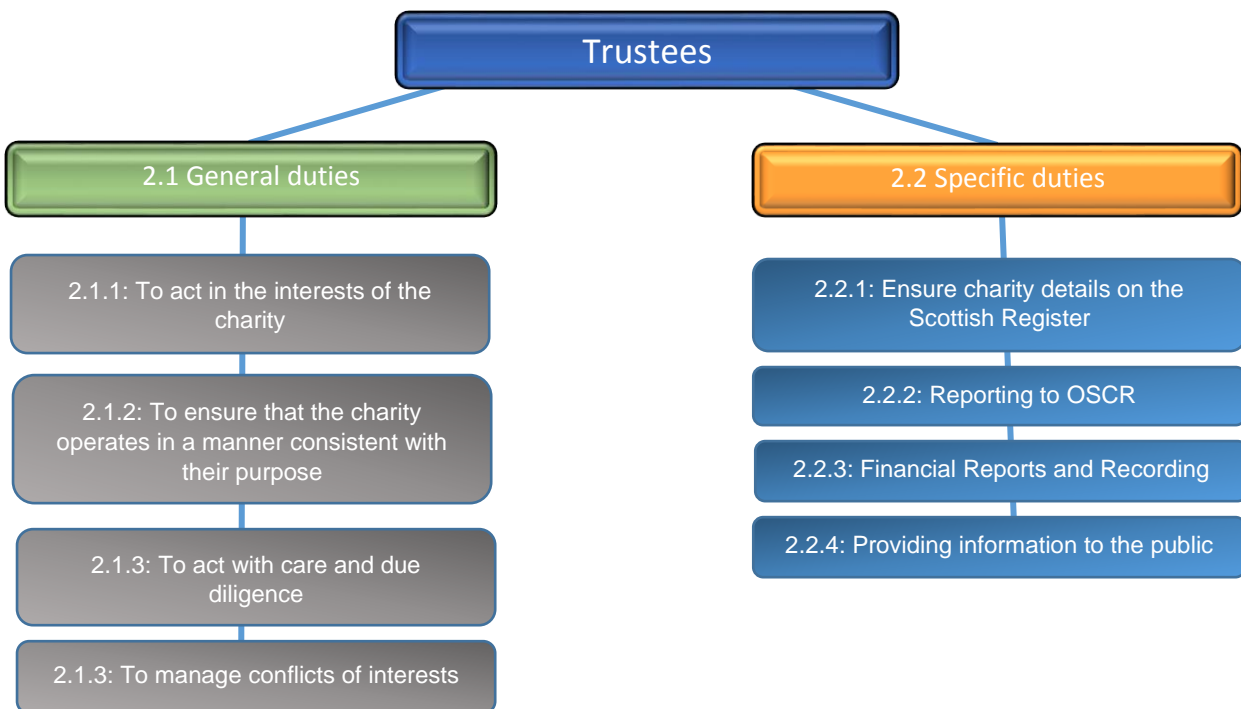
The Charitable Trusts have now been reorganised and amalgamated into one Trust. The Trust will be divided according to Ward Area and subdivided according to various purposes outlined within the trust deed and in keeping with its original purpose. This means that each ward within Aberdeenshire will have designated funds to be used for that **ward** specifically and **in accordance with the purposes** of the trust deed.

Not all purposes detailed above are applicable to each ward due to how the original trusts, prior to amalgamation, were set up. Appendix 1 sets out which purposes are applicable to each Trust. Application forms have been designed per Council Ward so that applicants can be very clear on what they are entitled to apply for. In order to ensure active management of the charity in accordance with statutory requirements and best practice, all elected Councillors of Aberdeenshire Council have been appointed as Trustees. In addition, two ex officio members have been appointed to carry out the role of Secretary and Treasurer. The Trustees have approved the appointment of Karen Wiles, Head of Legal and Governance as Secretary and Alan Wood, Head of Finance, as Treasurer

2. The Role and Duties of Elected Councillors as Trustees

Charitable Trustees are responsible for controlling the strategy and management of the ACT2 within the context of the charitable purposes and the terms laid out by the Deed of Trust. The role of the Trustee is vital to ensuring that the charity operates, effectively, and is able to account for its activities and outcomes both to the public and to OSCR, the Scottish charities regulatory body.

All elected councillors acting in the capacity of a Trustee have legal duties and responsibilities under the Charities and Investment (Scotland) Act 2005. These duties are divided into general duties found in section 66 of the 2005 Act, which establish a broad framework that all Trustees must work within, and specific duties that are detailed in the 2005 Act. Both the general duties and specific duties apply equally to all Trustees, and Councillors in their capacity as Trustees should work together to ensure that these duties are met. The following section will provide a detailed explanation of what these duties are, what the law requires you to do and how these duties can be met.



2.1: General duties for all Trustees

2.1.1: Duty to act in the interests of the Charity

First of all the charitable Trustee must **act in the interests of the charity**. This means that the interests of the charity must be put before the interests of the Trustee and those of any other person or organisation. Where conflict arises in relation to your own personal interests and those of the charity, the Trustee must declare this interest and where appropriate refrain from taking part in certain decisions in accordance with the [Conflict of Interest Policy](#).

Good Practice Sections

The information provided under these sections **are not a legal requirement** but provide guidance to enhance practice and procedures contributing towards productivity and active engagement.

Good Practice

Trustees should ensure that:

- An up to date register containing where all the trustees work (if applicable) and any other organisations they are involved is kept.
- The Charity has a conflict of interest policy.

2.1.2: Duty to ensure that the Charity operates in a manner consistent with their purposes

In addition to acting in the interests of the charity, Trustees must ensure that they **carry out their duties in a manner consistent with the charities purposes**. It is therefore important the Trustee understands what the purposes of the charity are – these are defined within ACT2’s Deed of Trust. All activities carried out by the charity must fall within the objectives, aims and purposes stated in the governing documents. It is therefore important that Trustees are familiar with the terms of any governing documents relating to the charity.

Good Practice

- Every charity trustee has the most recent copy of the charity’s **governing document** (trust deed)
- Every charity trustee gets an induction into the charity and their role when they start.

2.1.3: Duty to Act with Care and Diligence

Related to this is the duty to **act with care and diligence**. This simply means that charitable Trustees are expected to take care of the charity’s affairs in the same manner as you would expect someone to manage the affairs of another person.

By acting with care and diligence, charitable Trustees are ensuring that the charity is being run properly, responsibly and lawfully. This often involves exercising reasonable business sense in relation to a range of transactions: for example concluding contracts, finalising funding agreements and protecting the charity’s assets. In these circumstances, it would be reasonable for the charitable Trustees to take independent professional advice or seek support.

Good Practice

As Charity Trustees you should:

- Ensure that the governing document of ACT2 is updated regularly.
- Ensure that the management plan reflects any changes that take place in the administration of the ACT2.
- Review the performance of the charity and where necessary take steps to improve it.
- Review the training needs of the Charity Trustee each year.
- Keep up to date with any changes that take place in Charity Law that might affect the administration of ACT2.
- Report any notifiable events (something serious that has happened or is happening to the Charity) to OSCR.

2.1.4: Duty to Manage Conflicts of Interests

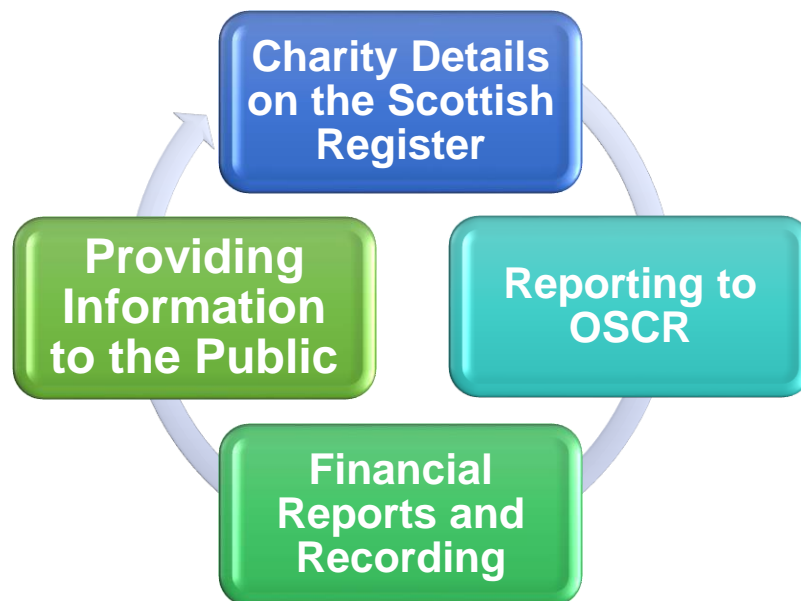
Trustees should avoid circumstances in which there is a conflict of interest between the charity and their own personal circumstances or the interests of a person or organisation responsible for their appointment. Trustees should also be aware of circumstances where there is a conflict of interest between two different organisations to which they may be affiliated. For example, a Trustee may be a member of two bodies which are applying for funding from the same organisation.

In any of these circumstances, the Trustee should make the conflict of interest known to the other charitable Trustees by declaring an interest and must not take part in any discussions or decisions on the matter in hand.

2.2: Specific Duties for all Trustees

Legislation also imposes on charitable Trustees, the duty **to ensure the charity complies with provisions of charity law and the requirements of other relevant legislation.** Consideration should not only be given to the specific requirements detailed below but also to issues that relate to health and safety, company law, data protection and employment law. This can be complex so it is important that appropriate advice and support is sought to ensure that all duties and regulations are complied with.

The Charities and Investment (Scotland) Act 2005 establishes specific legal requirements that must be met. These specific duties are illustrated below.



2.2.1: Charity details on the Scottish Register

All details relating to ACT2 must be provided to OSCR, the Scottish statutory body responsible for the regulation of all charities within Scotland, for the purposes of updating the Scottish Charity Register. This information should include the name of the charity, the principal office of the name and address of one of the charity Trustees as well as the charity's purposes. All changes that are agreed by the Trustees must be make known to the principal contact for the charity.

2.2.2: Reporting to OSCR

Where the Trustees wish to make any changes, including changes to the purposes of the trust or the trust area these changes must be documented in a supplemental Deed of Trust and approved by a majority of the Trustees. Any changes made must continue to be consistent with the trust purposes detailed in the trust deed. In some circumstances, the Trustees are legally required to obtain the consent of OSCR first before any changes are made. Consent from OSCR must be sought at least 6 weeks or 42 days before these changes are made. Consent is required where the Trustees wish to:

- Change the name of the charity.
- Wind up or dissolve the charity.
- Amend the object or purpose of the charity.
- Amalgamate the charity with another body.
- Apply to the court to change purpose, amalgamate or wind-up.
- Changing the charity's legal form or structure-Charities can take on a number of different legal forms. This legal form is the structure which then becomes a charity. For example Community Benefit Society, Trusts, Educational endowments, Scottish Charitable Incorporated Organisation, companies etc.

Where consent is given by OSCR and the change has been implemented, written confirmation of this change must be provided.

Other changes such as changes to the governing trust deed of this trust or any other changes not already outlined do not require prior consent. However, these changes must be intimated to OSCR within 3 months of those changes being made.

2.2.3: Financial Reports and Recording

In line with the trust deed, the Trustees are responsible for keeping proper accounting records. These records should include the income, capital and expenditure held in the trust, any amount that is invested by the Trustees and any amount received by the trust. The Trustees must ensure that a statement of accounts including a report on its activities is produced at the end of the financial year which runs from the 1st April and ends on the 31st March each year. These accounts must be audited or examined externally and a copy of the accounts together with the annual return sent to OSCR. A copy of these accounting records is required to be kept for 6 years.

The management of the financial affairs of the trust requires each Trustee to act with the care and diligence that is reasonable to expect of a person who is managing the affairs of another person. A higher level of responsibility is therefore placed on the Trustees to act with a higher level of care in managing the affairs of the trust than they would when dealing with their own finances and affairs. It is the responsibility of the Trustees to ensure that the charity's resources are protected and that the assets of the charity are not placed at risk. This can be carried out by ensuring that there are proper financial controls in place which help to identify and manage the risks of theft or fraud, loss and conflicts of interest.

The responsibility for the financial records is not limited to the treasurer solely, but includes all of the charities Trustees. As a charity Trustee you must ensure that you have a basic understanding of the finances of ACT2 as a whole in order to quickly identify if there are any problems as well as ensuring that at each area committee meeting of the trust, the Trustees are aware of the financial situation of that particular trust area.

2.2.4: Providing Information to the Public

The Trustees have the legal duty to ensure that the charity's name, charity number, governing documents and audited accounts are available on the Aberdeenshire Council website. Where copies of these documents are required, the Trustees must ensure that a copy of these documents is given, provided that the request is a reasonable one.

Whether a request is unreasonable or not will depend on the circumstances, however, it is the request that must be unreasonable and not the reasons for the request or the identity of the requester. OSCR provides further guidance and examples relating to unreasonable requests which can be referred to and advice on this matter can also be sought.

2.3 Trust Administration

The following matters are related to the administration of the Trust:

2.3.1: Remuneration

Under the Deed of Trust, Trustees are not entitled to be remunerated for their services as a Trustee, however, the trust will reimburse any expenses that are incurred when acting in the capacity of a Trustee. By choosing to adopt a more prudent approach to the financial management of the trust, the purpose for which ACT2 has been established can be fulfilled for the benefit of Aberdeenshire.

2.3.2: Trustee Indemnity Insurance

The Trustees of a Charity together with its officers have individual, personal duties and responsibilities for the management and administration of the Trust and this brings with it the potential for many liabilities. In order to protect the Trustees as they carry out the management and administration of the Trust, it is highly recommended that Trustee Indemnity Insurance be acquired. This will protect the trustee and the charity as a whole against liability arising from errors or omissions that may be made in the management and administration of the organisation. The Trustee Indemnity Insurance cover will be on a 'claims made' basis which means it covers claims made against the Trust during the period of insurance. A range of limits of indemnity are available in any one period of insurance, however it is recommended that the Trustees seek a higher sum of insurance, to cover the total sum of monies contained within the Trust itself.

Trustee indemnity insurance will be obtained on the implementation of the approved management plan for liability of up to £1 million.

2.3.3: Publication of the Charitable Trust

All charities registered in Scotland must publicise the fact that they are a charity. The Trustees must ensure that the details of the charity, specifically, the charities name together with the charities registration number are incorporated in certain external documents in accordance with section 4 of *The Charities References in Documents (Scotland) Regulations 2007* and *The Charities References in Documents (Scotland) Amendment Regulations 2008*. These documents include:

- a. business letters and e-mails;
- b. advertisements, notices and official publications;
- c. any document which solicits money or other property for the benefit of the charity;
- d. promissory notes, endorsements and orders for money or goods;
- e. bills rendered;

- f. invoices, receipts and letters of credit;
- g. statements of account prepared;
- h. educational or campaign documentation;
- i. conveyances which provide for the creation, transfer, variation or extinction of an interest in land;
- j. contractual documentation and
- k. Bills of exchange, other than cheques.

It is important that the people you come into contact with, the public, funders, contractors and other organisations, know and can verify that ACT2 is a genuine charity. It will instil confidence in those who wish to support the charity by making them aware that this charity is regulated.

3. Management of the ACT2

3.1 Management

Aberdeenshire is currently divided into 6 administrative areas, with each area possessing an Area Committee who is responsible for the delivery of local services. The Deed of Trust, specifically section 7.8, empowers the Trustees to create committees that can carry out functions within a specific remit determined by the Trustees. Each committee will report to the Trustees at least once a year and in all things defers to the authority and responsibility of the Trustees.

The Trust has established six Committees based on the Council's Six Area Committees. The rules of meetings relating to quorum and the way in which decisions are made shall be governed by Aberdeenshire Council's Standing Orders, in accordance with section 10.3 of the Deed of Trust. Each committee will be chaired by a relevant Area Committee Chair, whom failing, an Area Committee Vice-Chair will be nominated by all the Trustees at the Annual General Meeting.

The membership of each committee will comprise of Trustees from each of the six administrative areas within Aberdeenshire. Each Area Committee meeting of the trust shall convene **as and when required**. Meetings of the Area Committee relating to the trust should take place after the formal business of the Area Committee has been concluded or at another date or time as appropriate and as agreed between the Trustees and the Chair of the Area Committee.

Each Area Committee shall be responsible for the administration of the charitable trust within a specific trust area, particularly those Council wards within their area, and shall have the power to:

- Invite and accept donations.
- Invite and determine any applications made by potential beneficiaries.
- Incur expenditure.
- Enter into arrangements and contracts which includes the sale or land or lease of property etc.
- Appoint skilled and experienced persons to carry out services in administering the trust.
- Invest in securities or investments.
- To decide whether the funds will be drawn from the capital funds of the trust or from any income made through investments.
- To do anything else that serves in executing the trust in accordance with trust purposes.

3.2: Who can apply?

All members of the local community residing in Aberdeenshire are welcome to apply for funding that has been set aside solely for the purpose of assisting war wounded personnel. This fund seeks to provide relief to war wounded personnel in need by reason of age, ill-health, disability, financial hardship or other disadvantage as well as preventing and relieving poverty.

In addition to the above, various wards within Aberdeenshire have been specifically allocated funding. These funds can only be accessed by individuals residing in these ward areas or who can demonstrate

a reasonable connection to that area. These funds must be used for reasons that are in keeping with the trust purposes. Further information relating to which ward areas are applicable and what purposes apply can be found [here](#). Companies, associations and organisations are also welcome to apply, however they must comply with the criteria of the Trust.

To ensure that the application is fully considered, the applicant must satisfy one of the following criteria:

The applicant must be:

- A resident within Aberdeenshire, or
- An individual who does not presently live in the trust area but who can demonstrate that they have a reasonable connection to that area, or,
- A company, association or other organisation who provide facilities and services or other assistance which are in keeping with the trust purposes (detailed on page 2 of this document) to the residents or groups of that trust area or specific part of that trust area. There is no requirement for the company, association or organisation to be a registered charity.

Where an applicant is an individual, applications will only be considered if in receipt of any of the following means tested benefits:-

- Council Tax Reduction
- Housing Benefit
- Income Support
- Jobseekers Allowance (Income Based)
- Employment and Support Allowance (Income Related)
- Pension Credit Guarantee Credit
- Universal Credit

Application forms can either be obtained from the Aberdeenshire Council website or upon written request provided by the appropriate Area Manager. This form will request, any additional documentation which may be required such as accounts, quotes for work etc. Please see [Appendix 4](#) for the appropriate contact details.

3.3: Application Packs

Application Packs have been created for each ward which details what individuals and organisations can apply for in that area.

This will provide clarity for Trustees as well as members of the general public regarding:

- a) whether any funding in their area is available
- b) what charitable purposes are applicable specifically to that area
- c) the maximum amount of funding that can be applied for

3.4: What happens once the application has been submitted?

3.4.1: Application Process

1. Any **applications** made must be directed to the appropriate **Area Manager** in the relevant trust area to which the application relates. For example if an individual resides in Huntly, any application made for trust funding must be submitted to the local council office in Marr for the attention of the Area Manager.

2. Once received the application will be **assessed** by officers from both Legal and Finance to decide whether the applicant is competent, whether the reasons for the funds is compliant with the trust purposes within the trust area, together with what funds if any are available to be awarded.
3. The Area Manager will then write to the applicant to acknowledge receipt of the application and to inform the applicant as to whether the application is eligible for consideration or any reasons why it cannot be competently considered by the Trust. If it is not competent, Local Ward Members will be informed that an application was received, but not progressed and the reasons for this.
4. If the application is competent, a report to the relevant Area Committee, will be prepared by the Area Manager with input from legal and finance, detailing the request and making any appropriate recommendations.
5. A meeting of the Area Committee will then be called and notification of this meeting will be provided to the relevant trustees.
6. The applicant will also be invited to attend the meeting.
7. The application together with any supporting documentation will be considered at the next Area Committee meeting. The application form also contains a section enabling applicants to request the opportunity to speak at the meeting should they so wish. The Committee will decide whether to hear the request at the meeting.
8. Once a decision has been reached, the Area Manager will notify the applicant within four weeks of the area Committee meeting regarding the outcome of their application.
9. Where the application has been unsuccessful, the letter will detail the reasons why the applicant was unsuccessful.
10. If the application has been successful, details of how and when payment will be issued will be stated.

It is anticipated that the whole process from the submission of an application right through to a decision being made by the Trust regarding any successful applications will take **approximately 3 months**. Because of the length of time taken to assess an application received, the Trust should not be relied upon to meet any unexpected shortfalls that are time sensitive.

Where appropriate, the Area Committee may request that where an application has been successful, that the beneficiaries provide a brief report, within an agreed timeframe, which explains how the money has been used, and how the purposes set out in the application are being achieved.

A successful applicant **can reapply no less than 12 months** after the initial application is determined.

3.4.2: Appeals Process

As each application will be thoroughly assessed on its merits not only by the Legal and Finance services and Area Managers but also determined by the Trustees, the trust's decision is final and cannot be appealed.

Appendix 1: Trust Deed Purposes

Aberdeenshire wide purposes:

The following tables show how the various purposes are distributed across Aberdeenshire.

The first table shows that all individuals and groups within Aberdeenshire can apply for funding for war-wounded service personnel in respect of the purposes listed.

This is the only category available for applications across the whole of Aberdeenshire.

Aberdeenshire	
Ward Areas	Applicable purposes under ACT 2
All Wards	Specifically designated for war-wounded service personnel
	<ul style="list-style-type: none"> The prevention or relief of poverty. The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Location specific purposes:

The following tables show the purposes designated to specific areas and wards across Aberdeenshire:

Banff and Buchan Area	
Ward Areas	Applicable purposes under ACT2
Ward 1 Banff and District	<ul style="list-style-type: none"> The prevention or relief of poverty. The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.
Ward 2 Troup	<ul style="list-style-type: none"> The prevention or relief of poverty. The advancement of public participation in sport. The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage and
Ward 3 Fraserburgh and District	<ul style="list-style-type: none"> The prevention or relief of poverty. The advancement of education. The advancement of health. The advancement of citizenship or community development. The advancement of the arts, heritage, culture or science. The advancement of public participation in sport. The provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended.

	<ul style="list-style-type: none"> • The advancement of environmental protection or improvement. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.
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Buchan Area	
Ward Areas	Applicable purposes under ACT2
Ward 4 Central Buchan	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.
Ward 5 Peterhead North and Rattray	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Formartine Area	
Ward Areas	Applicable purposes under ACT2
Ward 7 Turriff and District	<ul style="list-style-type: none"> • The prevention or relief of poverty. • Relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.
Ward 8 Mid-Formartine	<ul style="list-style-type: none"> • The advancement of the arts, heritage, culture or science.

Garioch Area	
Ward Areas	Applicable purposes under ACT2
Ward 10 West Garioch	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.
Ward 11 Inverurie and District	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage.
Ward 12 East Garioch	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Kincardine & Mearns Area	
Ward Areas	Applicable purposes under ACT2
Ward 17 North Kincardine	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.
Ward 18 Stonehaven and Lower Deeside	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The advancement of education. • The advancement of health. • The advancement of citizenship or community development.

	<ul style="list-style-type: none"> • The advancement of the arts, heritage, culture or science. • The advancement of public participation in sport. • 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. • The advancement of environmental protection or improvement. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.
Ward 19 Mearns	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Marr Area	
Ward Areas	Applicable purposes under ACT2
Ward 14 Huntly, Strathbogie and Howe of Alford	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The advancement of education. • The advancement of health. • The advancement of citizenship or community development. • The advancement of the arts, heritage, culture or science. • The advancement of public participation in sport. • 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. • The advancement of environmental protection or improvement. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.
Ward 15 Aboyne, Upper Deeside and Donside	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.
Ward 16 Banchory and Mid-Deeside	<ul style="list-style-type: none"> • The prevention or relief of poverty. • The advancement of the arts, heritage, culture or science. • The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Appendix 2: Conflict of Interest Policy

As a Trustee of ACT2 you are responsible for putting the interests of the charity before your own interests or those of any other person or organisation, which includes those responsible for your appointment. If a situation arises where this cannot be carried out, there may be a conflict of interest.

What is a conflict of interest?

A conflict of interest is any situation where there is a potential for a charity Trustee's personal or business interests, or the interests of someone that you are connected with, to differ from the interests of the charity. In this situation, it may be particularly difficult to make an impartial decision.

There are two main types of conflict of interest that can exist:

1. **Appointment conflict** which refers to a conflict of interest that arises between a charity Trustee and the organisation that appointed them.

For example a contractual relationship between a charity and Aberdeenshire Council, a Councillor who is also a trustee of that charity is placed in a position of conflict between a duty to the charity and your position as a Councillor, whenever the trustees discuss matters relating to that contractual relationship. Both the charity and Aberdeenshire Council have an interest in securing the terms most favourable to themselves.

2. **Personal conflict** which refers to a conflict between your duties as a Trustee and your own personal or business interests.

For example holding a position as a director in an organisation or a member of a committee and so possessing both a non-financial as well as a financial interest in that organization, which then applies for funding from Aberdeenshire Charitable Trusts.

In both these situations, the charity Trustee duties require you to act in the interests of the charity.

It is important that the Trustee take all appropriate steps to manage conflicts of interests, even where there only appears to be a conflict of interest. The Trustee must always act in the best interest of the charity.

The information detailed below provides a step-by-step process that must be applied when conflicts of interests arise.

What steps are to be taken if a conflict of interest arises?

Step 1: Identifying the Conflict of Interest

Trustees should refer to section 11.2 of the Deed of Trust for ACT2 in conjunction with this policy to identify any conflicts of interests. Where it is still unclear whether a conflict of interest exists, please seek appropriate advice. Any conflicts of interest identified by a Trustee must be recorded in the form provided in Appendix 4 and submitted to the Head of Legal and Governance.

The Trust accepts that all the Trustees have registered their interests as councillors in accordance with the Councillors Code of Conduct. The Trust will therefore use this register of interests for the Trust. However, if a change has occurred or if further additions need to be made in your capacity as a Trustee, a new form should be completed and submitted to the Head of Legal and Governance.

All of the Trustees are responsible for ensuring that a review of their interests is carried out on a regular basis.

Step 2: Manage the Conflict of Interest

In circumstances which give rise to the possibility of a conflict of interest between the Trust and another party, the interests of the Trust **must** be before that of the other party in taking decisions as a Trustee. It must be clear to all involved as well as to the wider community that the decision taken was not in any way influenced by the possibility of this conflict of interest. Ensure that any decision is accurately documented and demonstrates a reasoned understanding of why that particular decision was undertaken.

Where there is a conflict of interest and the Trustee is unable to put the interests of the charity first, they must **declare** this interest and **refrain** from participating in any discussion or decisions involving the other Trustee with regard to the matter in question.

Step 3: Record

All conflict must be disclosed

The Trustees must ensure that there is a record of what the conflict was, when it was identified and declared, what was discussed and decided, if the Trustee withdrew from the decision and how the remaining Trustees made a decision in the best interests of the charity.

What should you do if another charity Trustee has a conflict of interest?

All charity Trustees have the legal duty to protect the interests of the charity. This responsibility is not solely restricted to a single individual but rather should be approached collectively to ensure a breach of charity duties does not occur and if it does occur that it is corrected and not repeated. If you are aware of another Trustee who is conflicted, and it is not declared, it is your duty to make this conflict known.

If there is a serious or persistent breach of duty by an individual, the charity Trustee should be removed. If the charity Trustees fail to do so, this could be considered as mismanagement or misconduct in the administration of the charity Trustee. OSCR as the Scottish Charities regulator is required to identify and investigate any apparent misconduct and where appropriate take protective action. OSCR has the power to take action against Trustees, where appropriate.

Appendix 3: Declaration of Interests – Charitable Trustees

NOTICE OF CHARITABLE TRUSTEES INTERESTS

Councillor	
Ward	
Category	Please provide details of the interest and whether it applies to yourself, or where appropriate, connected persons.
Current employment and any previous employment in which you continue to have a financial interest.	
Appointments (voluntary or otherwise) e.g. Trusteeships, directorships, committees, boards etc.	
Membership of any professional bodies, special interest groups or mutual support organisations.	
Investments in unlisted companies, partnerships and other forms of business, major shareholdings and beneficial interests.	
Gifts and hospitality	

To the best of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the conflicts of interest policy and for no other purpose.

Signed:

Position:

Date:

Appendix 4: Contact Details



Banff and Buchan Area

Banff and Buchan Area Manager
Area Managers' Office
Town House
34 Low Street
Banff
AB45 1AN

email: banffandbuchanamo@aberdeenshire.gov.uk
telephone: 01261 813300

Buchan Area

Buchan Area Manager
Area Managers' Office
Buchan House
St. Peter Street
Peterhead
AB42 1QF

email: buchan@aberdeenshire.gov.uk
telephone: 01779 483200

Formartine Area

Formartine Area Manager
Area Managers' Office
29 Bridge Street
Ellon
AB41 9AA

email: formartine@aberdeenshire.gov.uk
telephone: 01358 726404

Garioch Area

Garioch Area Manager
Area Managers' Office
Gordon House
Blackhall Road
Inverurie
AB51 3WA

email: garioch@aberdeenshire.gov.uk
telephone: 01467 533200

Kincardine and Mearns Area

Kincardine and Mearns Area Manager
Area Managers' Office
Viewmount
Arduthie Road
Stonehaven
AB39 2DQ

email: kincardine.mearns@aberdeenshire.gov.uk
telephone: 01569 762001

Marr Area

Marr Area Manager
Area Managers' Office
School Road
Alford
AB33 8TY

email: marr@aberdeenshire.gov.uk
telephone: 01975 564801