

## ACT2 (ABERDEENSHIRE CHARITIES TRUST)

WOODHILL HOUSE, ABERDEEN, 9 MARCH, 2017

**Present:** Councillors Anne M Allan, P W Bellarby, G Blackett, C C Buchan, G W Carr, R A Cassie, R J Christie, G J Clark, K L Clark, L Clark, J B Cox, A J C Cullinane, J B Dick, A Evison, M A Findlater, M A Ford, J N Gifford, A S Grant, F C P Hood, M F Ingleby, J Ingram, P K Johnston, J J Latham, C R McKail, F McRae, R J Merson, I J Mollison, C H Nelson, A K Norrie, G L Owen, G E Petrie, S W Pratt, E A Robertson, M J Roy, S W Smith, D Stewart, M M Stewart, I W Taylor, H W Vernal and J Webster.

**Apologies:** Councillors W A Agnew, D R Aitchison, Amanda J Allan, P J Argyle, A A Bews, A S Buchan, E H Chapman, C Clark, R Cowling, I Davidson, A C Duncan, A Gardiner, A Hendry, W Howatson, S M Lonchay, P Oddie, H Partridge, L Pirie, W A C Shand, N J Smith, B H Stuart, I S Tait, R G Thomson, B A Topping, I M Walker and M Watt.

**Officers:** Chief Executive, Director of Business Services, Head of Finance, Head of Legal and Governance.

### CHAIR

Councillor H W Vernal, Provost of the Council, presided.

#### 1. DECLARATION OF MEMBERS' INTERESTS

The Provost asked members if they had any interests to declare in terms of the Councillors' Code of Conduct. No interests were intimated.

#### 2. PUBLIC SECTOR EQUALITY DUTY

In making decisions on the following items of business, the Council **agreed**, in terms of Section 149 of the Equality Act, 2010:-

- (1) to have due regard to the need to:-
  - (a) eliminate discrimination, harassment and victimisation;
  - (b) advance equality of opportunity between those who share a protected characteristic and persons who do not share it; and
  - (c) foster good relations between those who share a protected characteristic and persons who do not share it.
- (2) where an Equality Impact Assessment was provided, to consider its contents and take those into account when reaching their decision.

#### 2A. MINUTE OF PREVIOUS MEETING

The Minute of Meeting of ACT2 (Aberdeenshire Charities Trust) of 19 November, 2015, had been circulated, was **approved** as a correct record, and thereafter signed by the Chair.

#### 3. ACT2 (ABERDEENSHIRE CHARITIES TRUST) - ANNUAL ACCOUNTS 2015/16

There had been circulated a report by the Director of Business Services advising that the annual accounts of ACT2 (Aberdeenshire Charities Trust) 2015/16 had been prepared in accordance with the Charities' Statement of Recommended Practice (FRS 102) and that this

was the first year in which the Charities' accounts had been prepared under FRS 102. Appended to the report was the Trustees' Report for the year ended 31 March, 2016. The report stated that ACT2's audit certificate was unmodified, which provided assurance that the financial statements gave a true and fair view of the financial position as at 31 March, 2016. Two of the issues raised in the External Auditor's report, which covered both the Council's Annual Accounts and the accounts of the Charitable Trusts, were in relation to the Charitable Trusts. The detailed action plan to address the External Auditor's recommendations had been approved at the Scrutiny and Audit Committee on 22 September, 2016.

The Trustees **agreed**:-

- (1) to note the audited Annual Accounts 2015/16 for Aberdeenshire Charities Trust (ACT2),
- (2) to note the unmodified audit certificate for 2015/16, and
- (3) to note the agreed actions as included within the External Auditor's report approved at the Scrutiny and Audit Committee on 22 September, 2016.

#### **4. ACT2 (ABERDEENSHIRE CHARITIES TRUST) - FINANCIAL MANAGEMENT**

There had been circulated a report by the Director of Business Services setting out the financial management structure and resulting investment policies of the balances held within ACT2 (Aberdeenshire Charities Trust). The report stated that ACT2 was obligated to ensure the effective financial management of the funds held. The report showed a list of the balances currently held within ACT2, including the split between Revenue and Capital, split by council ward and purpose. The report requested the Trustees to decide whether the current split of the balance between Revenue and Capital was at the right level for each area for each purpose. The report also provided information on future balances, insurance, external investment, maximum thresholds and Christmas Trusts.

The Trustees **agreed**:-

- (1) that the initial split of ward balances should be delegated to Area Committees acting on behalf of ACT2,
- (2) to approve a policy which stated that all future investment income should be retained within the ward revenue balances for future use,
- (3) to retain capital balances within the Council's Loans Fund,
- (4) that ACT 2 application thresholds be agreed by Area Committees acting on behalf of ACT2, and
- (5) to note the action taken regarding the annual Christmas Trust payments.

#### **5. ACT2 (ABERDEENSHIRE CHARITIES TRUST) - CHARITABLE MANAGEMENT PLAN**

With reference to the Minute of Meeting of 19 November, 2015 (Item 9), there had been circulated a report dated 19 February, 2017, by the Director of Business Services, together with a management plan for ACT2 (Aberdeenshire Charities Trust) in order for the discharge of their functions under the Trust. The report stated that the first section of the management plan detailed the history of the purpose of ACT2 and why the process of re-organisation was vital to the viability and effective administration of the Trusts. The second section outlined 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. The third

section outlined the strategy for the management and practical administration of ACT2, whereby powers in respect of the routine administration of the Trust were delegated to the Area Committees of Aberdeenshire Council. All decisions made by Area Committees would be reported back to the Trust at the next Annual General Meeting to enable all Trustees to monitor the effectiveness of the management plan and the distribution of funds.

The Trustees **agreed** to approve the Charitable Management Plan for ACT2 (Aberdeenshire Charities Trust) as detailed in Appendix 1 of the report.

## **6. DATE OF NEXT MEETING**

The Trustees agreed that the next meeting should be scheduled to coincide with the Council meeting on 29 June, 2017.

