

NORTH HERTFORDSHIRE DISTRICT COUNCIL
CABINET SUB-COMMITTEE (COUNCIL CHARITIES)

**Meeting held at Council Offices, Gernon Road, Letchworth Garden City
on Monday, 12 December 2016 at 11.00am**

Minutes

PRESENT: *Councillors Bernard Lovewell (Chairman), P.C.W. Burt and Julian Cunningham.*

IN ATTENDANCE: *Head of Finance, Performance and Asset Management, Head of Revenue, Benefits and IT, Parks & Countryside Development Manager, Trust Lawyer and Committee & Member Services Manager.*

8. MINUTES

RESOLVED: That the Minutes of the meeting of the Sub-Committee held on 22 August 2016 be taken as read, approved and signed by the Chairman as a correct record.

In relation to Resolution (3) of Minute 6 – Consultation Results on Proposed Changes to Charitable Objects of Smithson’s Recreation Ground, Hitchin, the Trust Lawyer advised that processes were in place to obtain an indemnity policy, as the changes to the charitable objects would effectively create a restrictive covenant against the land title.

9. NOTIFICATION OF OTHER BUSINESS

There was no notification of other business.

10. CHAIRMAN’S ANNOUNCEMENTS

The Chairman reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question.

11. PUBLIC PARTICIPATION

There was no public participation.

12. ANNUAL ACCOUNTS AND RETURNS FOR COUNCIL ADMINISTERED CHARITIES

The Head of Finance, Performance and Asset Management presented a report seeking the Sub-Committee’s agreement to the returns to the Charities Commission of the four charities/charitable trusts administered by NHDC: the Hitchin Town Hall Gymnasium and Workman’s Hall Trust; King George’s Fields Trust; Smithson Recreation Ground Trust; and Hertfordshire Yeomanry and Artillery Collection. He advised that the returns for the 2015/16 financial year needed to be submitted by 31 January 2017 to accord with the requirements of the Charities Commission.

The Head of Finance, Performance and Asset Management explained that the accounts and draft annual return for the Hitchin Town Hall Gymnasium and Workman’s Hall Trust were attached at Appendix 1 to the report. Due to the continuing redevelopment of the Town Hall during 2015/16, the building had remained closed, costs were low, and therefore income was zero. Appendices 4 and 5 to the report were the two reports to Council on Hitchin Town Hall submitted in 2016, upon which the Sub-Committee had received verbal updates at its meetings held on 23 March 2016 and 22 August 2016.

The Head of Finance, Performance and Asset Management stated that the accounts and draft annual return for King George's Field, Hitchin were attached at Appendix 2 to the report. The cost to the Trust in 2015/16 was zero, as all expenditure had been met by NHDC (£73,000 for on-going maintenance and administration costs). As the income figure exceeded the £25,000 threshold, authority was sought for an independent review of the accounts by the Shared Internal Audit Services (SIAS).

The Head of Finance, Performance and Asset Management advised that the accounts and draft annual return for the Smithson's Recreation Ground, Hitchin were attached at Appendix 3 to the report. As there was no accounting value for this asset, there was solely an income and expenditure account. Maintenance costs for the year were just over £4,000.

The Head of Finance, Performance and Asset Management informed the Sub-Committee that the Hertfordshire Yeomanry and Artillery Collection was a collection of military artefacts bequeathed to the Council by way of a Trust Deed in 2003. As the funds were less than £10,000 then the Charities Commission would simply require confirmation that nothing had changed in the past financial year.

In respect of the Hitchin Town Hall Gymnasium and Workman's Hall Trust Annual Report, the Sub-Committee considered the amount of detail included in the wording in Sections C and D of that report. Following debate, the Sub-Committee agreed that the wording was an accurate representation of events that had occurred throughout 2015/16 and should therefore remain unchanged.

RESOLVED:

- (1) That the information required by the Charities Commission for the four registered charities, as set out in Appendices 1, 2 and 3 of the report, be approved, so that returns can be submitted prior to the January 2017 deadline; and
- (2) That the requirement for those charities with gross income of more than £25,000 in any financial year to have their accounts independently examined be noted, and that as this applies to King George's Field for 2015/16, the examination of those accounts be undertaken by the Shared Internal Audit Service (SIAS).

REASON FOR DECISION: To facilitate the submission of approved returns to the Charities Commission.

13. PROPOSED CHANGES TO CHARITABLE OBJECTS OF SMITHSON'S RECREATION GROUND, HITCHIN

The Trust Lawyer gave an oral report on the proposed changes to the Charitable Objects of the Smithson's Recreation Ground Trust, Hitchin.

The Trust Lawyer advised that, following the Sub-Committee meeting on 22 August 2016, she had applied to the Charities Commission to change the Trust's Charitable Objects relating to the use by boys over the age of 5. It had taken some months for the Charities Commission to respond, which they eventually did on 23 November 2016. They had exercised their discretion by not compelling the Trust to undertake a Public Notice process, in view of the consultation that had already been carried out on the matter by the Trust.

The Trust Lawyer stated that a draft scheme proposed by the Charities Commission had been subsequently sent to Members of the Sub-Committee and a Record of Delegated Decision had been signed by the Chairman on 27 November 2016 approving the scheme. In response to a question from one of the Members, she reiterated the fact that the Record of Delegated Decision had also included approval to purchase indemnity insurance in respect of a potential breach of the restrictive

covenant. She hoped that the Charities Commission would finalise the scheme and notify her as soon as possible.

In response to a Member's question, the Parks and Countryside Development Manager confirmed that the capital improvement works to the Recreation Ground approved earlier in 2016 were now complete, apart from delivery of the park benches, which was expected in early 2017.

RESOLVED: That the oral report of the Trust Lawyer be noted.

REASON FOR DECISION: To keep the Sub-Committee updated with matters concerning the proposed changes to the Charitable Objects.

The meeting closed at 11.25am.

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Chairman