

# Public Document Pack



**Meeting of:** Charitable Trustee Committee  
**Date:** Thursday, 2nd September, 2021  
**Time:** 10.00 am.  
**Venue:** Training and Conference Suite, First Floor,  
Number One Riverside, Smith Street,  
Rochdale, OL16 1XU

This agenda gives notice of items to be considered in private as required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Item No.	AGENDA	Page No
1	<b>Apologies</b>  To receive any apologies for absence.	
2	<b>Declarations of Interest</b>  Members are required to declare any disclosable pecuniary, personal or personal and prejudicial interests they may have and the nature of those interests relating to items on this agenda and/or indicate if S106 of the Local Government Finance Act 1992 applies to them.	
3	<b>Appointment of Vice Chair</b>  To appoint the Committee's Vice Chair 2021/2022	
4	<b>Minutes</b>  To consider the Minutes of the meeting of the Committee held 19 <sup>th</sup> November 2019.	3 - 4
5	<b>Urgent Items of Business</b>  To determine whether there are any additional items of business which, by reason of special circumstances, the Chair decides should be considered at the meeting as a matter of urgency.	
6	<b>Exclusion of Press and Public</b>	

To consider that the press and public be excluded from the remaining part of the meeting pursuant to Section 100(A) 4 of the Local Government Act 1972 on the grounds that discussions may involve the likely disclosure of exempt information as defined in the provisions of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

**7 Financial Update** 5 - 21

To consider the Trust's financial position.

**8 Herbert Norcross Scholarship Fund** 22 - 56

To consider applications to the Herbert Norcross Scholarship Fund.

**Charitable Trustee Committee Members**

Councillor Tom Besford

Councillor Janet Emsley

Councillor Kathleen Nickson

Councillor Shaun O'Neill

Councillor Billy Sheerin

For more information about this meeting, please contact  
Alison James/Peter Thompson – Committee and Constitutional Services

01706 924890

[governance.support@rochdale.gov.uk](mailto:governance.support@rochdale.gov.uk)

**CHARITABLE TRUSTEE COMMITTEE**

**MINUTES OF MEETING  
Tuesday 19<sup>th</sup> November 2019**

**PRESENT:** Councillor O'Neill (Chair) Councillors Ali Ahmed, Besford, Holly and Zaheer

**OFFICERS:** N. Helliwell, K. Elliot, A. James and D. Sutcliffe (Resources Directorate)

**1 APOLOGIES**

No apologies were received.

**2 DECLARATIONS OF INTEREST**

Councillor Zaheer declared an interest in application 5/19 to the Herbert Norcross Scholarship Fund and left the room during consideration of the application.

**3 URGENT ITEMS OF BUSINESS**

There were no urgent items of business.

**4 APPOINTMENT OF VICE CHAIR FOR 2019/2020**

Resolved:

That Councillor Besford be appointed Vice-Chair of the Charitable Trustee Committee for the 2019/2020 Municipal Year.

**5 MINUTES**

Resolved:

That the minutes of the meeting of the Charitable Trustee Committee held on 13<sup>th</sup> September 2018 be approved and signed as a correct record.

**6 EXCLUSION OF PRESS AND PUBLIC**

Resolved:

The public be excluded from the meeting during consideration of the following items of business since it is likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present there would be disclosure to them of exempt information, namely information relating to the business or financial affairs of any particular person (including the person holding that information).

**7 CHARITABLE TRUSTEE COMMITTEE ANNUAL ACCOUNTS 18/19 AND PROJECTED FINANCIAL POSITION FOR 2019/2020**

The Committee considered the report of the Director of Resources which provided an update on the 2018/19 Financial Statements and the current 2019/20 projected financial positions of the Herbert Norcross Scholarship Fund, the James Handley Bequest and the Doctor Chadwick Trust Fund.

Resolved:

1. That the financial position of the Norcross Scholarship Fund, the James Handley Bequest and the Doctor Chadwick Trust Fund as outlined in section 4 of the submitted report be noted;
2. That the maximum reserves policy be considered at the next meeting of the Charitable Trustee Committee;
3. That a report be submitted to the next meeting of the Committee outlining a proposed application process for the Doctor Chadwick Trust Fund.

Eligible for call in – no

## **8 HERBERT NORCROSS SCHOLARSHIP FUND**

The Trustees considered applications for assistance to the Herbert Norcross Scholarship Fund and gave due consideration to each application against the eligibility criteria as contained within the Trust Deed.

Resolved:

That the submitted applications to the Herbert Norcross Scholarship Fund be dealt with as follows:

Application Number	Decision
1/19	Application declined as it does not fit the criteria for the Trust
2/19	Award of £1000
3/19	Award of £1000
4/19	Award of £1000
5/19	Application declined as it does not fit the criteria for the Trust
6/19	Award of £1000
7/19	Award of £1000

Eligible for call in – no

# Agenda Item 6

## Report to Charitable Trustee Committee



Date of Meeting	2 <sup>nd</sup> September 2021
Portfolio	Cabinet Member for Finance
Report Author	Neil Helliwell
Public/Private Document	Private

### **Charitable Trustee Committee Annual Accounts 2020/21 and Projected Financial Position for 2021/22**

#### **Executive Summary**

1. To provide an update on the 2020/21 annual accounts and the current 2021/22 projected financial positions of the Norcross Scholarship Fund, the James Handley Bequest and the Doctor Chadwick Trust Fund.

These are Trust Funds, with charitable status, separate from Rochdale Borough Council monies.

The report also considers additional annual income should Trustees consider using approximately 50% or 100% of Doctor Chadwick's cash reserves to purchase investments.

#### **Recommendation**

2. It is recommended that the members of the Charitable Trustee Committee:-
  - a) Note the financial position of the Norcross Scholarship Fund, the James Handley Bequest and the Doctor Chadwick Trust Fund as outlined in section 4 of this report.
  - b) Review the reserves policy maximum and minimum balances in appendices 1 to 3 and make any amendments they deem necessary.

#### **Reason for Recommendation**

3. The recommendation is put forward for information to the Members of the Charitable Trustee Committee.

## Key Points for Consideration

### 4. Summary income and expenditure for 2020/21

Trust	Investment Income, Interest and rental income  (£)	Grants Paid  (£)	Management Fee paid to RBC / Other Expenditure  (£)	Surplus/(Deficit) for the year  (£)
Norcross Scholarship Fund	5,898	0	1,620	4,278
James Handley Bequest	3,075	0	918	2,157
Doctor Chadwick Trust Fund	3,026	0	540	2,486
<b>Total</b>	<b>11,999</b>	<b>0</b>	<b>3,078</b>	<b>8,921</b>

### Summary Balance Sheets at 31 March 2021

Trust	Land  (£)	Investments  (£)	Deposit Account  (£)	Current Account  (£)	Total  (£)
Norcross Scholarship Fund	0	189,189	500	4,714	194,403
James Handley Bequest	0	92,983	10,000	4,679	107,662
Doctor Chadwick Trust Fund	13,816	26,164	0	53,668	93,648
<b>Total</b>	<b>13,816</b>	<b>308,336</b>	<b>10,500</b>	<b>63,061</b>	<b>395,713</b>

### Projected Financial Position for 2021/22

Appendices 1 to 3 provide the current projected financial position for 2021/22 for the three trusts.

Appendices 4 and 5 consider the request at the last meeting to consider the purchase of investments by the Doctor Chadwick Trust. Appendix 4 considers using £28k (roughly 50%) of cash reserves to purchase investments whereas appendix 5 considers using £56k (just under 100%) of cash reserves to purchase investments.

The amount will vary depending upon the split of investments purchased but annual income would increase by an estimated amount of £805 to £1,184 with £28k on investments purchased and £1,610 and £2,368 if £56k of investments purchased.

Trustees may wish to consider:-

- Whether to invest in either or both of the current share funds (i.e. in the charities UK bond or the charities UK equity fund). It is unclear which fund contains more risk than the other but it is clear which generates the higher annual income at present.

2. Whether to invest in a different fund altogether. This would potentially meaning seeking advice from an external advisor (who may potentially charge a commission).
3. Whether Trustees would want to retain the flexibility of holding cash reserves and if risk levels are too high to consider additional investment in the current market.

### **Reserves Policies**

Trustees are requested to consider whether any changes are necessary to the maximum and minimum balances on the reserve policies (shown on appendices 1, 2 and 3), especially in relation to the maximum reserve balances or if they are happy to maintain them for another year.

Please note that the current policy allows for Trustees to maintain a balance above the maximum set out in the policy where they feel it is reasonable to do so. However, Trustees may wish to simply increase the maximum balance to above the current reserve levels forecast at year end if they feel this is reasonable to do so.

Trustees can review the reserve policy at any meeting.

### **Alternatives considered**

As these are separate distinct funds, there are no alternatives to consider.

<b>Costs and Budget Summary</b>
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5. As per section 4 above.

<b>Risk and Policy Implications</b>
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6. As the monies relate specifically to the Trust Funds, there are no financial or legal implications for Rochdale Borough Council.

However, there is a slight risk that decisions made by the Charitable Trustee Committee could contravene rules, regulations and guidance laid down by the Charity Commission, The Charities Act 2011 and the Governing Schemes. Guidance and monitoring provided by Rochdale Borough Council and use of Rochdale Borough Council systems significantly reduces this risk. Finance Service provides guidance to members of The Charitable Trustee Committee to ensure that the risk is minimised and appropriately managed, by regularly reviewing charity legislation for changes relevant to the Charity, advising the members of the committee of those changes so that they can be implemented and ensuring that Charity Commission guidance is followed.

<b>Consultation</b>
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7. No consultation is required.

<b>Background Papers</b>	<b>Place of Inspection</b>
8. Trust Funds Annual Financial Statements for 2020/21 Appendices 1-3 showing projected financial position for 2021/22	Finance Services, Tax and Treasury Management Team, Floor Two Number One Riverside
<b>For Further Information Contact:</b>	Neil Helliwell, , Neil.Helliwell@Rochdale.Gov.UK



**Appendix 1 - James Handley Bequest (Charities in Connection with Rochdale Art Gallery)**

<b>PROJECTED CASH POSITION 2021/22 (at 12/8/2021)</b>				
		£	£	Ref
<b>Income</b>				
Investment Interest - Wider range	(See page 2 - ref 3E)	3,218		
Bank Interest		60		
			<b>3,278</b>	<b>A</b>
<b>LESS :</b>				
<b>Expenditure</b>				
Grants Approved / Paid to Date		-		
Management Expenses		840		
			<b>840</b>	<b>B</b>
Forecast Surplus For 2021/22			<b>2,438</b>	<b>C</b>
ADD : Actual Current Account Balance at 1 April 2021			<b>4,679</b>	
<b>Forecast Cash Balance at 31 March 2022</b>			<b>7,117</b>	<b>D</b>
<b>ESTIMATED Funds Available for Distribution</b>	Max		<b>6,117</b>	<b>L</b>
<b>(i.e. Forecast current account balance less reserves policy balance)</b>	Min		<b>4,217</b>	<b>L</b>
NB - Current maximum current account balance in reserves policy	Maximum		<b>2,900</b>	
	Minimum		<b>1,000</b>	

<b>VALUATION OF FUNDS</b>				
<b>Endowments Held for Income Generation</b>				
<b>Represented By :</b>				
Investments - Wider Range	(See Page 2 - ref 3C)		<b>94,641</b>	<b>E</b>
Current Account		<b>F</b>	7,117	
Deposit Account		<b>G</b>	10,000	<b>H</b>
<b>Total</b>			<b>111,758</b>	

**Appendix 1 - James Handley Bequest Valuation of Investments**

	A	B	C	D	E	F	Link
<b>PROJECTED CASH POSITION 2021/2022 (at 12/8/2021)</b>							
Holding	No of Shares	Current Price £	Current Valuation £	Original Cost £	Income £	Annual return on current valuation %	
1 Charinco (BlackRock Charities UK Bond Fund Acc - Inc)	21,019	1.890	39,726	36,502	1,653	4.16	<a href="https://www">https://www</a> <a href="https://mark">https://mark</a>
2 Charishare (BlackRock Charities UK Equity Fund - Inc)	7,797	7.043	54,915	15,126	1,565	2.85	<a href="https://mark">https://mark</a>
3 Total			94,641	51,628	3,218	3.40 (average)	
Previous Meeting		Previous meeting	86,131		3,006		
Increase / (Reduction) since last meeting			8,510		212		

## Doctor Chadwick Trust Fund

(Charity Number 1081975)

### Appendix 2 - DOCTOR CHADWICK PROJECTED FINANCIAL POSITION 2021/22 (at 12/8/2021)

	£	£	Ref
<b>Income</b>			
Investment Interest - Wider range	(See page 2 - ref 3E)	841	
Rental income (so far / estimated)		2,100	
Sale of Land		-	
Bank Interest		25	
		<u>2,966</u>	<b>A</b>
<b>LESS :</b>			
<b>Expenditure</b>			
Grants Awarded in 2021/22		-	
Management Expenses (estimated)		600	
		<u>600</u>	<b>B</b>
Forecast Surplus For 2021/22		<u>2,366</u>	<b>C</b>
ADD : Actual Current Account Balance at 1 April 2021		<u>53,668</u>	
<b>Forecast Current Account Balance at 31 March 2022</b>		<u><b>56,034</b></u>	<b>D</b>
<b>ESTIMATED Funds Available for Distribution</b>	Max	1,034	
<b>(i.e. Forecast current account balance less reserves policy balance)</b>	Min	55,909	
NB - Current maximum current account balance in reserves policy	Maximum	55,000	
	Minimum	125	

### VALUATION OF FUND

	£	£	
Land and Endowments Held for Income Generation		40,498	
Funds Available for Distribution		56,034	<b>E</b>
<b>Total</b>		<u><b>96,532</b></u>	
<b>Represented by :</b>			
Land in New Hey		13,816	<b>F</b>
Investments	(see page 2 - ref C3)	26,682	<b>G</b>
Current Account		56,034	<b>H</b>
<b>Total</b>		<u><b>96,532</b></u>	

**Doctor Chadwick Trust Fund**  
(Charity Number 1081975)

**Appendix 2 - Doctor Chadwick Valuation of Securities at 12/8/2021**

	A	B	C	D	E	F
Holding	No of Shares	Current Price £	Current Valuation £	Original Cost £	Income £	Annual return on current valuation %
1 Charinco (BlackRock Charities UK Bond Fund A)	3,238.83	1.890	6,121	5,550	255	4.16
2 Charishare (BlackRock Charities UK Equity Fund)	2,919.32	7.043	20,561	5,550	586	2.85
3 <b>Total</b>			<b>26,682</b>	<b>11,100</b>	<b>841</b>	<b>3.15 (average)</b>
Previous Report			23,219		760	
Increase / (Reduction) since last meeting			3,463		81	

**Norcross**  
**Scholarship Fund**  
(Charity Number 526666)

**Appendix 3 - NORCROSS SCHOLARSHIP FUND PROJECTED FINANCIAL POSITION 2021/22 (at 12/8/2021)**

	£	£	Ref
<b>Income</b>			
Investment Income	(See page 2 - ref 4E)	5,396	
Bank Interest		5	
		<u>5,401</u>	<b>A</b>
<b>LESS :</b>			
<b>Expenditure</b>			
Grants Awarded to date in 2021/22		0	
Management Expenses (including VAT)		1,900	
		<u>1,900</u>	<b>B</b>
Forecast Surplus For 2021/22		<u>3,501</u>	<b>C</b>
ADD : Actual Current Account Balance at 1 April 2021		4,714	
<b>Forecast Current Account Balance at 31 March 2021</b>		<u><b>8,215</b></u>	<b>D</b>
<b>ESTIMATED Funds Available for Distribution</b>	Max	8,115	
<b>(i.e. Forecast current account balance less reserves policy balance)</b>	Min	8,015	
NB - Current maximum current account balance in reserves policy	Maximum	200	
	Minimum	100	

**VALUATION OF FUND**

	£	£	
Investments Held for Income Generation	(see page 2 - ref 4C)	196,198	<b>E</b>
Deposit Account Balance		500	<b>F</b>
Funds Available for Distribution		8,215	<b>G</b>
<b>Total</b>		<u><b>204,913</b></u>	

**Norcross**  
**Scholarship Fund**  
(Charity Number 526666)

**Appendix 3 - Norcross Scholarship Fund - Valuation of Investments at 12/8/2021**

Holding	B		C	D	E	F
	No of Shares	Current Price £	Current Valuation £	Original Cost £	Income £	Annual return on current valuation %
1 Charinco (BlackRock Charities UK Bond Fund A)	32,394.60	1.890	61,226	57,201	2,547	4.16
2 COIF Investment Fund	3,859.52	19.6116	75,691	4,709	1,574	2.08 NB - Actual valuation but estimated yield
3 Charibond	48,164.32	1.2308	59,281	54,000	1,275	2.15
4 Total		14.6823	196,198	115,910	5,396	2.75% (average)
Previous Report		14.6823	189,624		5,458	
Increase since last meeting			6,574		-62	

## Doctor Chadwick Trust Fund

(Charity Number 1081975)

### Appendix 4 - DOCTOR CHADWICK PROJECTED FINANCIAL POSITION 2021/22

#### If 50% cash used to purchase additional investments

	£	£	Ref
<b>Income</b>			
Investment Interest - Wider range (See page 2 - ref 3E)	2,025		
Rental income (so far / estimated)	2,100		
Additional interest from share purchases	995		
Bank Interest	25		
		<b>5,145</b>	<b>A</b>
<b>LESS :</b>			
<b>Expenditure</b>			
Grants Awarded in 2021/22	-		
Purchase of investments (50% of cash balance)	28,000		
Management Expenses (estimated)	600		
		<b>28,600</b>	<b>B</b>
Forecast Surplus For 2021/22		<b>(23,455)</b>	<b>C</b>
ADD : Actual Current Account Balance at 1 April 2021		<b>53,668</b>	
<b>Forecast Current Account Balance at 31 March 2022</b>		<b>30,213</b>	<b>D</b>
<b>ESTIMATED Funds Available for Distribution</b>	Max	- 24,787	
<b>(i.e. Forecast current account balance less reserves policy balance)</b>	Min	30,088	
NB - Current maximum current account balance in reserves policy	Maximum	55,000	
	Minimum	125	

### VALUATION OF FUND

	£	£	
Land and Endowments Held for Income Generation		68,965	
Funds Available for Distribution		30,213	<b>E</b>
<b>Total</b>		<b>99,178</b>	
<b>Represented by :</b>			
Land in New Hey		13,816	<b>F</b>
Investments (see page 2 - ref C3)		55,149	<b>G</b>
Current Account		30,213	<b>H</b>
<b>Total</b>		<b>99,178</b>	

## Doctor Chadwick Trust Fund

(Charity Number 1081975)

### Appendix 4 - Doctor Chadwick Valuation of Securities at 4/6/2021 (50% investments purchased)

	A	B	C	D	E	F
1 2 3	No of Shares	Current Price £	Current Valuation £	Original Cost £	Income £	Annual return on current valuation %
Charinco (BlackRock Charities UK Bond Fund A)	18,300.69	1.890	34,588	5,550	1,439	4.16
Charishare (BlackRock Charities UK Equity Fund)	2,919.32	7.043	20,561	5,550	586	2.85
<b>Total</b>			<b>55,149</b>	<b>11,100</b>	<b>2,025</b>	<b>3.67 (average)</b>
Previous Report	3975.4657	1.859	23,219		760	
Increase / (Reduction) since last meeting			31,930		1,265	



**Doctor Chadwick Trust Fund**  
(Charity Number 1081975)

## Doctor Chadwick Trust Fund

(Charity Number 1081975)

### Appendix 5 - DOCTOR CHADWICK PROJECTED FINANCIAL POSITION 2021/22

#### If 100% cash used to purchase additional investments

	£	£	Ref
<b>Income</b>			
Investment Interest - Wider range (See page 2 - ref 3E)	3,209		
Rental income (so far / estimated)	2,100		
Additional interest from share purchases	1,989		
Bank Interest	25		
		<b>7,323</b>	<b>A</b>
<b>LESS :</b>			
<b>Expenditure</b>			
Grants Awarded in 2021/22	-		
Purchase of investments (50% of cash balance)	56,000		
Management Expenses (estimated)	600		
		<b>56,600</b>	<b>B</b>
Forecast Surplus For 2021/22		<b>(49,277)</b>	<b>C</b>
ADD : Actual Current Account Balance at 1 April 2021		<b>53,668</b>	
<b>Forecast Current Account Balance at 31 March 2022</b>		<b>4,391</b>	<b>D</b>
<b>ESTIMATED Funds Available for Distribution</b>	Max	- 50,609	
<b>(i.e. Forecast current account balance less reserves policy balance)</b>	Min	4,266	
NB - Current maximum current account balance in reserves policy	Maximum	55,000	
	Minimum	125	

### VALUATION OF FUND

	£	£	
Land and Endowments Held for Income Generation		97,432	
Funds Available for Distribution		4,391	<b>E</b>
<b>Total</b>		<b>101,823</b>	
<b>Represented by :</b>			
Land in New Hey		13,816	<b>F</b>
Investments (see page 2 - ref C3)		83,616	<b>G</b>
Current Account		4,391	<b>H</b>
<b>Total</b>		<b>101,823</b>	

## Doctor Chadwick Trust Fund

(Charity Number 1081975)

### Appendix 5 - Doctor Chadwick Valuation of Securities at 4/6/2021 (if £56k investments purchased)

	A	B	C	D	E	F
Holding	No of Shares	Current Price £	Current Valuation £	Original Cost £	Income £	Annual return on current valuation %
1 Charinco (BlackRock Charities UK Bond Fund A)	33,362.55	1.890	63,055	5,550	2,623	4.16
2 Charishare (BlackRock Charities UK Equity Fund)	2,919.32	7.043	20,561	5,550	586	2.85
3 <b>Total</b>			83,616	11,100	3,209	3.84 (average)
Previous Report	29629.63	1.859	23,219		760	
Increase / (Reduction) since last meeting			60,397		2,449	

**Doctor Chadwick Trust Fund**  
(Charity Number 1081975)

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# Agenda Item 8

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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