

WESTMORLAND AND FURNESS COUNCIL

Holehird Trust Joint Committee

Report Title	2023/24 Finance Report to 31 st March 2024
Date of Meeting	30 th April 2024
Report Author	Fiona Parker – Interim Senior Service Manager – Accountancy (Technical)
Director	Pam Duke – Director of Resources/S151 Officer
Lead Cabinet Member	Councillor Andrew Jarvis, Cabinet Member for Finance
Wards Affected	All within the former County of Westmorland
Identify exempt information and exemption category¹	N/A
Reasons for urgency (only where applicable)	N/A
Appendices (if any)	Financial statements for the year ending 31 st March 2024

1. Executive Summary

- 1.1 This report sets out the financial position as at 31st March 2024 including the grants distributed in 2023/24 and the grant amounts available for distribution and the associated fees for 2024/25.

2. Recommendations

For the reasons set out in this report, the Committee is recommended to:

- 2.1 To note the amounts made available for distribution on grants and fees for the 2023/24 financial year and the financial position at 31st March 2024.
- 2.2 To agree an allocation of £50,000 for grants (£45,455) and fees (£4,545) to be distributed in the 2024/25 financial year (year 2 of the agreement with Cumbria Community Foundation).

3. Information: the Rationale & Evidence for the Recommendations

Distribution of Grants 2023/24

- 3.1 At the meeting held on 8th March 2023 it was decided to make available an amount of £50,000 for each of the three years of the duration of the agreement with Cumbria Community Foundation (CCF) to be distributed on grants and fees. (£45,455 grants and £4,545 fees).
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- 3.2 There was no over allocation or under allocation on grants and fees at the end of the 2022/23 financial year so there is no adjustment to be made to the amount of £50,000 available for distribution for the 2023/24 financial year.
- 3.3 During 2023/24 grants totalling £47,628 have been awarded, however £2,173.77 has been returned in the form of an application withdrawn (£2,000) and an underspend of £173.77, giving a net total of £45,455 for the year (See Appendix 1). There is therefore no under or over allocation to be carried forward to 2024/25.
- 3.4 Further to paragraph 3.1 Members are asked to agree the allocation of £50,000 for grants (£45,455) and fees (£4,545) to be distributed in the 2024/25 financial year.
- 3.5 The draft financial statements for the year to 31st March 2024 are attached at Appendices 2 to 4. The Income and Expenditure Account reflects the rents received by Savills of £218,830 and expenditure totalling £375,792. The breakdown of the expenditure is set out in the table below:

Expenditure	Amount (£)
Buildings and grounds maintenance	149,582
Other premises costs	117,352
Other expenditure	58,858
Grants	45,455
Fees	4,545
Total Revenue Expenditure	375,792
Capital works and refurbishments	265,327
Total Expenditure	641,119

- 3.6 The Trust's Investments are held in the Charities Official Investment Fund (COIF) which is managed by CCLA Investment Managers Ltd, based in London. CCLA is regulated by the Financial Conduct Authority. As at 31st March 2024 the Trust's investments had a value of **£813,228**.
- 3.7 There are several different funds managed by CCLA but the fund in which the Trust's investments are held is the Charities Investment Fund. The portfolio of the investments is mainly in Overseas Equities, UK Equities and Infrastructure & Operating Assets. This fund is only available to charities, non-charitable organisations are not permitted to invest in this fund.
- 3.8 The fund oversees two types of investment, one to increase the capital value of the holding (referred to by CCLA as Accumulation Units) and the other to provide a regular income (referred to by CCLA as Income Units). The Trust's investments are held in Accumulation Units. Over the past few years this has served the Trust well as the increase in capital has allowed for funds to be realised and released for the refurbishments of the estate properties.
- 3.9 It should be noted that Savills hold a cash balance of **£83,075** on behalf of the Trust, however the cash balance held by Westmorland and Furness Council at 31st March 2024 is overdrawn (**£8,539**). If this position continues then members

should consider realising some of the Trust's investments to increase the readily available cash balances to meet future expenditure.

4. Link to Council Plan Priorities: (People, Climate, Communities, Economy and Culture, Customers, Workforce)

4.1 Acting as Trustee of the Holehird Trust and ensuring the Trust achieve its charitable objectives supports the Council Plan Priorities including supporting active, healthy happy lives for young and old and supporting people in need and reducing inequality.

5. Consultation Outcomes

5.1 None

6. Alternative Options Considered

6.1 This not an options report but to note the amounts to be made available for distribution on grants and fees for the 2023/24 financial year.

7. Financial Implications and risk

7.1 These are set out in the report.

8. Legal and Governance Implications

8.1 Local Authorities are empowered by section 139 of the Local Government Act 1972 to receive and hold gifts on charitable trusts.

8.2 The Terms of Reference for the Trust set out how income derived from the Trust assets are to be expended. Under Charity Law, the Trustee must ensure The Trust can use income generated for the repair and insurance of the assets and for managing the assets and the charity. The Terms of Reference specify that the remaining income must be used to further the Trust's objectives which are:-

To provide housing for beneficiaries who

- Are in conditions of need, hardship or distress; or
- Are in need of housing by virtue of their age; disability, infirmity or chronic sickness

To relieve beneficiaries who are in conditions of need, hardship or distress.

To relieve beneficiaries who are sick, convalescent, disabled or infirm by relieving their suffering or assisting their recovery.

To advance the education of the beneficiaries as the Trustee thinks fit.

To relieve children or young people in need being looked after by local authorities in the area of benefit by the provision and assistance to foster carers and the children and the young people themselves.

The Trustee may further the objects of the charity by making grants of money to other persons or bodies who provide the relevant goods, services or facilities to beneficiaries.

The Trustee may give preference to those beneficiaries who are aged, infirm or chronically sick.

9. Human Resources Implications

9.1 None

10. Equality and Diversity Implications (including the public sector equality duty, Armed Forces Families, Care Leavers and Health inequalities implications)

10.1 None

11. Background Documents

11.1 None