



**CONSTITUTION COMMITTEE (sitting as Trustee): 22 NOVEMBER
2024**

REPORT OF DIRECTOR OF LAW AND GOVERNANCE

CHARITABLE TRUST FUTURE ARRANGEMENTS

Purpose of Report

1. The purpose of this report is to seek a variation to the approved Grants Policy to enable the officer panel to determine individual applications from students below the proposed threshold.

Policy Framework and Previous Decisions

2. Part 3 of the County Council's Constitution provides for the Constitution Committee to undertake those functions relating to the Council's role as a charitable trustee.
3. The Committee resolved at its meeting in April 2024 to adopt a grants policy covering the process and criteria for grant giving in educational trusts in which the County Council is sole corporate Trustee.

Background

4. The County Council is the sole corporate Trustee of various Educational Trusts which are in the process of being closed and transferred to Leicestershire and Rutland Community Foundation (LRCF) or to schools as successor beneficiary bodies to the original trust.
5. In the interim, it is necessary to ensure that the Council complies with its duties in relation to those trusts of which it remains trustee to apply the funds and distribute them in accordance with the relevant trust constitution. This applies to the following trusts:
 - a. Hinckley John Cleveland Prize and Hinckley John Cleveland Scholarship Fund.
 - b. Mary Smith Scholarship Fund
 - c. The Piercy Scholarship Fund/Thompson Trust
 - d. Kibworth Beauchamp High School Foundation
 - e. Kibworth Goodman Exhibition Fund.
6. Good and constructive progress is being made concerning the transfer of the funds referred to in paragraph 5 a-c above. The progress of the transfer of the Kibworth Beauchamp High School Foundation and the linked Exhibition Fund are less advanced because of various complexities around the trust holding which the Mead Academy Trust is considering.

7. At its meeting on 30 April 2024, the Committee approved a grants policy based on a standard model setting out how the Trustee will make grants for the remaining charitable trusts so far as this is consistent with any scheme governing those trusts.

The approved policy addresses:

- a. The governance arrangement to support the trustee functions being undertaken by the Committee.
 - b. The duties on the Trustee to act in accordance with the objects of the relevant schemes and obligations to exercise reasonable care and skill in fulfilling the role.
 - c. Provisions on conflicts for the members of the Committee who fulfil the Council's role as Trustee and officers who advise the Committee in these functions.
 - d. Funding priorities for the charities
 - e. Activities that will not normally be supported
 - f. How grants may be applied for
 - g. When grants will usually be refused
 - h. What the grant may be used for
 - i. Decision making
 - j. Delegation of review of any grant applications to an officer panel to make recommendations to the Committee on grants to be made and that the Committee may authorise or refuse the grant via a written procedure.
 - k. The arrangements for notifying applicants of the outcome.
 - l. Due diligence provision
 - m. Reporting and monitoring requirements
 - n. Anti-bribery provisions
 - o. Clawback and repayment.
8. In relation to decision-making, the policy provides for an officer grants panel to be appointed comprising the Director of Law and Governance, Director of Corporate Resources and Director of Children and Family Services (or their nominees) to review grant proposals and make recommendations to the Committee as Trustee who may approve or refuse the grants recommended in the form of a written decision, such decision to normally be given within 21 days of the recommendation made to them.
9. That arrangement is appropriate for grants relating to institutions or large grants to individual students but is onerous in relation to small grant applications by individual students. For example, a recent application has been received from a former Kibworth Mead Academy student under the Kibworth Goodman Exhibition Fund for a grant of £150.00 to purchase course equipment, protected workwear and a bus pass to/from college. The officer panel is considering the application applying the Trust criteria. It would seem appropriate for grants of this type/size to be determined by the officer panel and the decision reported back to the next scheduled meeting of the Committee. It is believed that this is a more proportionate and efficient approach to grant applications of this value and type.

Proposed Amendment

10. It is proposed that an additional clause be added to the grants policy to provide as follows:

'The trustee delegates authority to the officer panel to determine grant applications from or on behalf of an individual student which does not exceed £1000.00 subject to

- *such applications being determined by the panel applying the relevant trust criteria; and*
- *the panel reporting back to the next meeting of the Committee details of any grants made pursuant to the delegated authority'.*

Resource Implications

11. These are contained within the report.

Recommendations

12. The Committee is recommended to approve the amendment to the grants policy as set out in paragraph 10 above.

Background Papers

Report to the Constitution Committee on 29th July 2019:

<https://politics.leics.gov.uk/documents/s147457/Charitable%20Trusts%20report.pdf>

Report to the Constitution Committee 18th September 2020:

<https://politics.leics.gov.uk/documents/s155499/Constitutional%20Committee%20-%20Charitable%20Trust%20Future%20Arrangements%20Update%20002%20003.pdf>

Report to the Constitution Committee 25th November 2022:

<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=150&MId=7122&Ver=4>

Report to the Constitution Committee 21st March 2023:

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=150&MId=7318&Ver=4>

Report to the Constitution Committee 30th April 2024:

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=150&MId=7741&Ver=4>

Report to the Constitution Committee 13th September 2024

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=150&MId=7948&Ver=4>

Equality Implications

13. A full Equalities Impact Assessment is not considered necessary.

Human Rights Implications

14. There are no human rights implications arising from this report.

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