

CEREDIGION COUNTY COUNCIL

Report to:	Charity Trustee Committee
Date of meeting:	6th November 2023
Title:	Proposed Amendments to the Terms of Reference of the Charity Trustee Committee
Purpose of the report:	To receive recommendations to amend the Terms of Reference of the Charity Trustee Committee as set out in the Council's Constitution
For:	Decision

Background

At a meeting of the Charity Trustee Committee dated 26th September 2022, it was agreed to amend the Terms and Reference of the Charity Trustee Committee, to include the following within the Constitution after the line '10 members: 5 voting and 5 non-voting':

"It is the Chairs of the Overview and Scrutiny Committees who hold the voting rights but in the absence of a Chair the Vice-Chair of that same Overview and Scrutiny Committee can then exercise the voting right".

The change was approved by Council at its meeting dated 20 October 2022 in the form of a shortened version of the proposal stating, **"Chairs are voting members and Vice-Chairs may vote in their absence"**. Part 3.3, Table 3 of the Constitution has since been amended accordingly.

The current Terms of Reference are shown at **Appendix 1**.

The membership of the of the Charity Trustee Committee was originally decided by Cabinet at its meeting dated 9th September 2014.

Minute C90 of 9th September 2014 Cabinet meeting:

"The Council's role as charity trustee

DECISION

- (i) To establish a Trustee Committee consisting of the five Chairs of the Council's Overview and Scrutiny Committees, to perform the Council's role as corporate trustee in relation to land and assets held on charitable trust by the Council with the terms of reference identified in the report; and
- (ii) To include the Vice Chairs as observers and in any training sessions for Trustees."

CURRENT POSITION

It is clear that Vice-Chairs actually now do far more than act as “observers”, as they make representations, and are otherwise active members (albeit they cannot vote). There is therefore a need to regularise the current role of the Vice-chairs.

It has since been established that there is no legal or other reason why Vice-Chairs cannot vote, other than by restriction of the Cabinet decision limiting their status to observers.

It is recommended that the Terms of Reference of the Charity Trustee Committee are re-amended to:

- a) enable Vice-Chairs to vote; and
- b) If a) is agreed:
 - remove the reference to Vice-Chairs as “observers”;
 - remove the reference to Vice-Chairs being entitled to make representations;
 - remove the reference to Vice-Chairs having a vote in absence of the Chairs; and
- c) confirm the Charity Trustee Committee quorum is 3 (of all voting members).

If above is agreed, the draft amended Terms of Reference will be prepared, and presented to the Constitution Working group, prior to presentation to Council.

Recommendation(s): That Members of the Charity Trustee Committee:

1. agree in principle that the Terms of Reference of the Charity Trustee Committee are re-amended to:
 - a) enable Vice-Chairs to vote; and
 - b) If a) is agreed:
 - remove the reference to Vice-Chairs as “observers”;
 - remove the reference to Vice-Chairs being entitled to make representations;
 - remove the reference to Vice-Chairs having a vote in absence of the Chairs; and
 - c) confirm the Charity Trustee Committee quorum is 3 (of all voting members).
2. recommend that Council approves the amendments above to the Terms of Reference within the Constitution relating to the status of Vice-Chairs.

Reasons for decision: To clarify the function of the Charity Trustee Committee as set out in the Council’s Constitution

Appendices: Appendix 1 – Terms of Reference of the Charity Trustee Committee

Head of Service: Elin Prysor – CLO Legal & Governance Services

Reporting Officer: Elin Prysor – CLO Legal & Governance Services

Date: 13/10/23

Appendix 1

Terms of reference of the Charity Trustee Committee

Role:

- To act as trustee in respect of all trusts that the Council is the trustee of
- To make decisions in relation to charitable assets in the best interests of the charity.
- To receive reports on charitable issues and to ensure the requirements of the Charity Commission and charity law are adhered to in so far as they relate to the charitable assets held by the Council on trust.

Charitable trustees are required to act in the best interests of the charity when making decisions in respect of it and must exercise reasonable skill and care in doing so. The decisions of the Committee and responsibility for them will be collective. Members of the Committee will benefit from the general indemnity granted by the Council to Members and Officers, provided that they act honestly, within their powers and that of the charity, and in good faith.

Membership:

The 5 Chairs of the Council's Overview and Scrutiny Committees will be members of the Committee, with voting rights.

The 5 Vice Chairs of the Overview and Scrutiny Committees will be observers however in the absence of the Chair of a particular Overview and Scrutiny Committee during a Charity Trustee Committee meeting, the Vice-Chair of that particular Overview and Scrutiny Committee shall have a voting right during that Committee.

The Chair and Vice-Chair of the Council's Overview and Scrutiny Coordinating Committee shall be the Chair and Vice-Chair of the Charity Trustee Committee.

Meetings:

Meetings of the Charity Trustee Committee be provisionally scheduled to take place immediately following each Overview and Scrutiny Co-ordinating Committee but not held if there is no trustee business to attend to.

Delegation of trustee responsibilities:

A power is delegated to the Chair of the Charity Trustee Committee (or the Vice-Chair in the Chair's absence) to decide on any matters arising which require authorisation within a timeframe of 10 working days subject to the following conditions:

- a) The relevant power is to be exercised exclusively by the Chair (or Vice-Chair during the Chair's absence);
- b) No expenditure may be incurred on behalf of the charity unless it relates to emergency works on a trust asset to include, but not be limited to, making the same safe or avoiding harm to the public or neighbouring land;
- c) The Chair (or Vice-Chair, where they Chair was absent during the time when the decision was taken) must report back the decision at the next meeting of the Charity Trustee Committee; and
- d) The trustees should keep the decision to delegate under constant review.