

REPORT TO: EXECUTIVE & COUNCIL
Date of Meeting: 16 SEPTEMBER 2014 & 15 OCTOBER 2014
Report of: Assistant Director Public Realm
Title: Release of Funds from the Holman Trust to Topsham Community Association

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1 What is the report about?

- 1.1 Topsham Community Association has requested that £15,000 from the Holman Trust, a Trust Fund which the Council administers, be released to help fund the 'Revitalise the Rec' project. Although the Council administers this Trust Fund, an application to the Charity Commission would be required in order for this sum to be released.
- 1.2 The 'Revitalise the Rec' project involves a significant improvement of play and recreation facilities at Topsham Recreation Ground. Funding for the entire project has been generated by Topsham Community Association's fundraising efforts; however, around £15,000 of the budget has been funded directly by Topsham Community Association.
- 1.3 This report seeks to set out the detail surrounding the project and explain the various issues. A decision is required as to whether or not the Council should make the necessary application to the Charity Commission to help facilitate this project.

2 Recommendations:

- 2.1 **That the Council approve an approach be made to the Charity Commission to release £15,000 from the Trust to refund the Topsham Community Association.**
- 2.2 **That the Recoupment Order remains in place for the remaining sum.**

3 Reasons for the recommendation:

- 3.1
 - Topsham Recreation Ground is a play facility of strategic importance within the city. It has multiple user groups and is very well used.
 - The funds already raised by Topsham Community Association have resulted in a significant improvement to the site, and will help to retain the status of the area as a well equipped and well used facility for many years to come. This significant improvement has resulted in no capital cost to the Council.
 - Use of funds from the Holman Trust will enable the completion of the project at no capital cost to the Council or Topsham Community Association. This would help to retain the good working relationship that has developed between the groups.

- The funds that would be used from the Trust, if approved by the Council and by the Charity Commission, do not represent funds that could be spent on anything else or diverted elsewhere.

4 What are the resource implications including non financial resources:

- 4.1
- There is no capital cost to the Council as no contribution has been made towards the purchase of any of the new equipment.
 - There has already been significant officer time committed to the project, particularly by the Parks & Open Spaces team in agreeing and approving the scheme and generally assisting with the project process. Parks staff have also assisted with some enabling work on-site and have timed some routine maintenance to coincide with the more significant installation of new equipment.
 - There will be a further commitment of staff resources if it is decided that the Council should make the appropriate applications to the Charity Commission – this will be via the Legal Services Department.
 - The new equipment will need to be inspected and maintained. However, input from Parks Officers has ensured that all the equipment will be fit for purpose and will (under usual circumstances) be very durable and require minimal maintenance intervention in the foreseeable future. Given that the site is already equipped with lots of (ageing) play equipment, this project will result in a minimal increase in terms of maintenance demand from the site.

5 Section 151 Officer comments:

- 5.1 No further comments to add.

6 What are the legal aspects?

- 6.1 The Holman Trust is administered by the Council but, as a registered charity, certain controls are exercised by the Charity Commission. Documentation held by the Council is not comprehensive, but AD Finance advises there is currently a sum of approximately £56,818.75 in the fund, secured via a Recoupment Order which is dated 7 March 1989 and lasts for a period of 55 years. This currently prevents any expenditure from the Trust until 2044. The Order was put in place so that the amount of capital spent out of the charity to build the Dorothy Holman Youth Club could be accrued and put back into the fund. Although the Order has a further 30 years to run, the original £50,000 expenditure is already effectively recovered by the £56,818.75 in the trust. Removing £15,000 from this sum would still allow a lengthy period to generate the £8000 shortfall.
- 6.2 An alternative is to apply to the Charity Commission to discharge the Recoupment Order. It is considered that this is less likely to be approved by the Charity Commission, but as part of the application, greater clarity over the potential long-term management of the trust could be sought.
- 6.3 Legal Services would make the appropriate approach to the Charities Commission.

7 Monitoring officer Comments

7.1 No further comments to add.

8 Report Details:

- 8.1 Topsham Community Association has been working closely with the Council's Parks & Open Spaces team over the past 18 months in the planning and delivery of significant improvements to the play and recreation facilities at Topsham Recreation Ground. Topsham Community Association have raised over £80,000 in external grant funding towards the scheme, but have needed to 'borrow' some funds from their own reserves in order for the entire project to be funded and completed in a single phase. At the time of writing the project is largely complete already, with just a few outstanding additions to be provided during the summer.
- 8.2 Topsham Community Association has requested that £15,000 from the Holman Trust be attributed to the scheme to complete the required funding, and to reimburse them of the sum they have 'loaned' towards the project.
- 8.3 The purpose of the Trust is; *'to allow the land to be used as recreation or playground for children and youths'*. Therefore the 'Revitalise the Rec' project fits in well with this criteria.

9 How does the decision contribute to the Council's Corporate Plan?

- 9.1 The 'Revitalise the Rec' project, which funds from the Holman Trust would be contributing towards, helps to meet multiple purposes with the Council's Corporate Plan. Within the purpose of 'Provide great things for me to see, do and visit' – the project will have improved this park as a free-to-use community resource and it will have enhanced an existing play area. The project also helps to achieve the purposes – 'Maintain the assets of our city', 'and 'Keep my city safe and looking good'.

10 What risks are there and how can they be reduced?

- 10.1 If the appropriate applications are made to the Charity Commission, they could be unsuccessful; meaning funds from the Trust will remain unobtainable. The risk would be reduced by the Council's Legal team making the applications in the correct manner and outlining a strong case for the application(s) to be approved.
- 10.2 Topsham Community Association understands that by funding part of the project directly themselves, there was a chance that this money could not be reimbursed, and this was reiterated to them by Council officers.

11 What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, Economy safety and the environment?

- 11.1 The 'Revitalise the Rec' project itself has greatly enhanced Topsham Recreation Ground as a facility for the local area, local residents and for any visitors to the park. Aspects of the scheme involve challenging play and

fitness equipment aimed at children and teenagers as well as a range of adult fitness equipment – all of which supports the health and wellbeing agenda. There are also facilities such as a petanque terrain, an outdoor chess table and a youth shelter provided within this project which add to the diversity of user groups now attracted and ‘invited’ to the park. The immediate environment of the park has of course been improved, but on a wider scale the green space offer for Topsham and Exeter in general has also been improved.

- 11.2 It should be reiterated that these benefits have already been realised and the scheme is already complete. However TCA did not expect to have to fund any of this project from their own reserves and did so to ensure the project went forward in one smooth phase. They hope to be reimbursed via monies from the Holman Trust, and if successful they would then in theory be better financially placed to positively affect the community via other initiatives and projects during the foreseeable future.

12 Are there any other options?

- 12.1 The Council could decide not to make the necessary application(s) to the Charity Commission, meaning the funds could not be made available from the Trust and therefore TCA would not be reimbursed any of their outlay in contributing towards this project.

Local Government (Access to Information) Act 1972 (as amended) Background papers used in compiling this report:

None

Contact for enquiries:
Democratic Services (Committees), Room 2.3, (01392) 26115