
MINUTES**Public**

**Shetland Charitable Trust
Room 12, Islesburgh Community Centre, Lerwick
Thursday 26 June 2014 at 10.00am**

Present:

R Henderson	C Hughson
B Hunter	A Manson
K Massey	S Morgan
I Napier	D Ratter
J Smith	J Wills

Apologies:

M Bell	A Duncan
B Fullerton	I Kinniburgh
A Westlake	

In Attendance (Officers):

A Black, Chief Executive - SCT
K Eunson, Accountant - SCT
E Mainland, Office Administrator – SCT
L Geddes, Committee Officer - SIC

Chair:

Mr Hunter, Chair of the Trust, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

Dr Wills declared an interest in Agenda Item 3 “Recommended Disbursements – Approvals” as his wife was Chair of Shetland Jazz Club.

Mr Morgan declared an interest in Agenda Item 1 “Voluntary Action Shetland – Retention of Market House Surplus” as, in his role with the Council, he had monitoring responsibility for Advocacy Shetland and was involved with With You For You, although these were not funded by Shetland Charitable Trust.

Mrs Hughson declared an interest in Agenda Item 1 “Voluntary Action Shetland – Retention of Market House Surplus” as Executive Officer for Voluntary Action Shetland, and advised that she would leave the room during the discussion.

Mr Henderson declared an interest in Agenda Item 6 “Loans to Local Industry – Sums Due But Unpaid Over One Month Old as at 31 May 2014”, and advised that he would take no part in any discussion.

Minutes

The minutes of the meeting held on 29 May 2014, were confirmed on the motion of Dr Wills, seconded by Mr Henderson.

(Mrs Hughson left the meeting)

21/14 **Voluntary Action Shetland – Retention of Market House Surplus**

The Trust considered a report by the Chief Executive (CT1406024) which presented a request from Voluntary Action Shetland (VAS) to retain a surplus of £24,957 on the Market House grant for the replacement and renewal of ICT systems.

The Chair advised that VAS had provided further information to the Trust, namely that Trustees should be aware that there was £53,000 rental income for Market House which contributed towards the running costs, including water rates. The total budgeted expenditure for Market House to 31 March 2013 was £89,990, and £29,918 had been paid for by SCT to cover the shortfall on rental income.

He went to say this was similar to other organisations that generate income to help with costs, and that these organisations are asked to repay surpluses in line with the reserves policy. The Trust was a funder of last resort and, as such, funding should only be used where no other source of income could be found.

It was questioned whether, as a result of this request, there may be at some point in the future, a request for this funding through other channels.

The Chair advised that he could not answer this question, but reiterated that VAS were not requesting additional funds but seeking to retain a surplus.

During the discussion that followed, it was pointed out that funding provided by the Trust was conditional on particular services being provided, and that there was a policy in place allowing retention of funding up to a particular level. To permit retention above that level was not in line with the Trust's principles, and it would mean that the Trust would have to contact all other bodies it funded to advise them that they could be treated in the same way.

It was questioned if there was any precedent in allowing organisations to retain surpluses for other purposes, and the Chief Executive advised that this had not been the case in the recent past and gave an example of this.

Mr Smith moved that Trustees agree recommendation 7.1 in the report, and Dr Wills seconded.

Decision:

The Trust refused the application from Voluntary Action Shetland to retain the funds.

(Mrs Hughson returned to the meeting)

22/14 **Fund Manager Transactions**
The Trust noted a report by the Chief Executive (CT1406021) which provided details of Fund Manager transactions to 31 May 2014.

Decision:

The Trust noted the contents of the report.

23/14 **Recommended Disbursements - Approvals**
The Trust noted a report by the Chief Executive (CT1406022) which provided details of the recommended disbursements for approval.

Decision:

The Trust noted the approvals listed in the report.

24/14 **Capital Works Bridging Loan Scheme**
The Trust noted a report by the Chief Executive (CT1406023) which provided an update regarding the Capital Works Bridging Loan Scheme.

The Chief Executive advised that Shetland Amenity Trust had paid back half of its loan, with the remaining half expected to be repaid sometime this week.

Decision:

The Trust noted the contents of the report.

In order to prevent the disclosure of exempt information, Mr Hunter moved, Dr Wills seconded, and the Trust resolved, in terms of the relevant Regulations, to exclude the public during consideration of the remaining items of business.

(The media left the meeting)

25/14 **Staffing Matters**
The Trust noted a report by the Chief Executive which presented an update on the staffing position of Shetland Charitable Trust (SCT).

Decision:

The Trust noted the report.

26/14 **Loans to Local Industry – Sums Due But Unpaid Over One Month Old as at 31 May 2014**
The Trust noted a report by the Chief Executive which presented information on overdue sums.

Decision:

The Trust noted the report.

27/14 **Update from Subsidiary Companies**
The Chair provided a verbal update to Trustees.

Decision:

The Trust noted the update.

28/14 **Shetland Arts Development Agency Update**
The Chief Executive provided a verbal update to Trustees.

Decision:
The Trust noted the update.

29/14 **Options for Shetland Heat Energy and Power Limited (SHEAP)**
The Trust considered a report by the Chief Executive.

Decision:
The Trust approved the recommendation in the report.

(Mr Henderson, Ms Manson, Mr Ratter, Dr Wills and the Committee Officer then left the meeting.)

30/14 **Pension Liability**
The Trust considered a report by the Chief Executive.

Decision:
The Trust agreed the recommendations in the report.

The meeting concluded at 10.37am.

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CHAIR