



Shetland Charitable Trust

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Our Ref: EMA/TA1/1
Your Ref:

Date: 3 February 2010

Dear Sir/Madam

You are invited to the following meeting:

**Shetland Charitable Trust
Room 16, Islesburgh Community Centre, Lerwick
Thursday 11 February 2010 at 10am**

(Please note the venue for this meeting).

Apologies for absence should be notified to Louise Adamson on 01595 744555, or to Jenna Johnson on 01595 744544.

Yours faithfully

(signed) Dr Ann Black
General Manager

AGENDA

- (a) Hold circular calling the meeting as read.
- (b) Apologies for absence, if any.
- (c) Declarations of Interest.
- (d) Confirm minute of the meeting held on 10 December 2009 (enclosed).

For Decision

1. Presentation - Proposals for the Future Governance of the Shetland Charitable Trust. Report enclosed.
2. Budget 2010/11. Report enclosed.
3. Progress Report – Funded Bodies Review Group. Report enclosed.
4. Venue for Trust Meetings. Report enclosed.
5. Application of Freedom of Information Act to Charities in Shetland. Report enclosed.

For Information

6. Management Accounts – Six Months Ended 31 December 2009. Report enclosed.
7. Recommended Disbursements - Approvals. Report enclosed.
8. Recommended Disbursements – Social Care. Report enclosed.
9. Fund Manager Transactions. Report enclosed.

The following items contain **confidential** information

For Decision

10. Shetland Link Up - Art Therapy Service. Report enclosed.

For Information

11. List of Deeds Executed. Report enclosed.
12. Sums Due But Unpaid Over One Month Old as at 31 December 2009. Report enclosed.

REPORT

To: Shetland Charitable Trust

11 February 2010

From: General Manager

Report: CT1002005

Proposals for the Future Governance of the Shetland Charitable Trust (SCT)

1. Introduction

- 1.1 This report presents proposals, developed by the Governance Review Group, on the Future Governance Arrangements for the Shetland Charitable Trust (SCT). The Group considered whether there was a requirement for change and what possible changes could be introduced.
- 1.2 The key challenge that SCT faces is to demonstrate transparency, accountability and operational independence to its beneficiaries and to the Office of the Scottish Charities Regulator (OSCR) established by the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act). In particular OSCR is investigating a complaint against SCT and does not accept that the current structure and governance arrangements evidence independence and compliance with the general statutory duties of Trustees as set down in s66 of the 2005 Act.

2. Background

- 2.1 At a meeting on 19th February 2009, Trustees agreed to review the governance arrangements of SCT in light of current regulatory and legislative framework. They appointed a short-life working group of eight Trustees, W Manson, J Henry, J Scott, F Robertson, F Grains, A Wishart, V Nicolson and J Simpson (the Group). On 5 August 2009, Mr Wishart resigned as a Trustee and therefore from the Group.
- 2.2 The Terms of Reference of the Group were agreed by Trustees on 26th March 2009. (Appendix 1)
- 2.3 Originally tasked with submitting an action plan to OSCR by 1st July 2009, (in response to the unresolved complaint), SCT was only able to submit an up-date on the work of the Group at that time. Given the complexity of the task facing Trustees, including engaging in public comment, it has taken until now to finalise the proposals presented in this report.

3. History and Present Position

- 3.1 SCT is now constituted by a Deed of Trust by Shetland Islands Council dated 10th September, 1997, the successor to the original Shetland Islands Council Charitable Trust, established by Deed of Trust by Shetland Islands Council dated 27th September 1976 (subsequently and latterly known as "SICCT 1976"). In March 1990 it was decided that Shetland Islands Council (SIC) should resign as sole Trustee of SICCT 1976. In particular, this change was to ensure that SICCT 1976 was not constrained by Section 94 of the Local Government (Scotland) Act 1973, which, at that time, placed certain restrictions on the level of capital expenditure which could be incurred. Instead, Councillors were appointed as individual trustees *ex officio*, and were joined by 2 other *ex officio* appointments, the Lord Lieutenant of Shetland and the Head Teacher of the Anderson High School, making a total at that time of 27 Trustees. The introduction of the 2 non-Councillor Trustees freed SICCT 1976 from any such constraints. That "model" was carried forward to SCT which was set up to allow for a new accumulation period. The number of councillors has changed over the years, at one time increasing to 26, but has since been reduced to 22, giving a total number of 24 Trustees. SCT currently has 23 Trustees, as one of the Councillor Trustees recently resigned. In the Deeds of Trust for both SICCT 1976 and SCT, there has been the power for the Trustees to assume any number of additional trustees to act alongside the *ex officio* Trustees.
- 3.2 Other changes have been introduced to increase the separation between SCT and SIC including a change of name from Shetland Islands Council Charitable Trust to Shetland Charitable Trust, and these are listed in paragraph 6.6.

4. Is there a Requirement to Change?

- 4.1 The first task undertaken by the Group was to consider whether there was a requirement to change, and if so what were the drivers. In doing this work, the Group effectively assessed, in line with its remit, the "do nothing" option.

Financial Circumstances

- 4.2 The environment and circumstances in which SCT operates has changed significantly in recent times. For example, the annual income from the disturbance receipts made by the oil industry to SCT ceased in 2000. This has meant that to continue with the recent level of charitable disbursements, SCT must rely solely on the income it generates from investments. Although fortunate to hold significant resources, SCT must ensure investments are properly and appropriately managed, especially in the current economic environment. Whilst there is power to make charitable disbursements out of income or capital, the Trustees, as a matter of current policy, have decided to retain the capital value

of the Trust Fund and must therefore make sure charitable disbursements are in line with income. This can cause and has caused tensions, given that the community has become accustomed to a level of service well beyond that required by statute of the local authority. Trustees are currently looking at options to reduce expenditure, as well as mechanisms to increase income generation.

Legislative and Regulatory Environment

- 4.3 The legislative and regulatory environment in which SCT operates has also changed extensively. As mentioned, the 2005 Act established amongst other things, OSCR, and introduced a new level of regulation and scrutiny which includes general duties for charity trustees in terms of s66 of the 2005 Act obliging them to manage conflicts of interest. OSCR's report on its Rolling Review programme Phase 1a states "...an up to date constitution is an essential precondition of good and effective governance of a charity. We therefore continue to recommend that charity trustees should review their constitutions to ensure that these are up to date with legislative requirements and fit for purpose given the current activities of the charity." The recent decisions required in connection with the proposed investment in Viking Energy Limited have arguably highlighted a weakness in the ability of the Trustees to properly manage conflicts of interest in line with the requirements of s66 of the 2005 Act and for that reason OSCR, in line with its published guidance and reports, requires the constitution of SCT to be amended.

Skills, Experience and Attributes of Board of Trustees

- 4.4 Going forward Trustees are, therefore, faced with the challenge of ensuring that its constitution is "fit for purpose" and that the board of Trustees has the correct spread of skills, experience and attributes to make difficult decisions on behalf of its beneficiary group, the people of Shetland. In addition, they must protect the long-term sustainability of SCT against the backdrop of a difficult financial climate coupled with a rising demand on resources. Significant investment decisions are ahead, including whether to invest further in Viking Energy Ltd, if planning consent is obtained.

5. "Do Nothing" Option

- 5.1 The Group concluded that the environment and circumstances in which SCT now operates has changed significantly since 1990 (when the current governance model was introduced). Thus there were sufficient drivers for change, and the "do nothing" option was considered neither to be in the best interests of SCT, nor acceptable to OSCR.

6. Merits and Shortcomings of the Current Governance Model

- 6.1 In considering the remaining options, the Group thought it necessary to consider the merits, as well as the shortcomings, of the current governance model.
- 6.2 It can be argued that the make-up of the current Trustee body delivers accountability to the community, the inhabitants of Shetland, the beneficiaries of SCT, and that the current arrangements ensure that there is wide representation of beneficiaries through having Trustees from all areas of Shetland and that all beneficiaries have access to someone they know in their area. This helps with direct accountability between the beneficiaries and the Trustees. Trustees act for all of the beneficiaries of SCT, not only the ward electorate. Unless confidential business is being discussed, Trust meetings are open to the press and to the public.
- 6.3 This process is open, transparent and available to the local community. The democratic process means that this public accountability is tested regularly through the election process. Trustees also have access to a wide range of knowledge and information, affecting all aspects of life in Shetland, which is beneficial to SCT in carrying out its business.
- 6.4 Furthermore, the charitable purposes of SCT are naturally complementary to that of SIC so it makes sense for both bodies to be strategically linked to ensure common goals and purposes are achieved. Both have in common the interest of the Shetland community, which is served through the current governance arrangements.

Operational Independence

- 6.5 OSCR requires all charities to be able to demonstrate openness, transparency and full public accountability in their operation. It feels that given the current structure and arrangements of SCT, it is difficult to evidence SCT Trustees' independence and compliance with s66 of the 2005 Act. While OSCR ultimately has the power to seek a change to be made to the constitution of the charity, they are reluctant to dictate what that change will be but feel it is important for the charity to provide better and more obvious evidence of independence from the SIC.
- 6.6 Trustees should be mindful of the steps that have already taken place since 2002 to help to develop and demonstrate effective operational independence of SCT:
 - SCT was renamed from Shetland Islands Council Charitable Trust to Shetland Charitable Trust;
 - Trustees adopted a corporate plan for SCT;
 - Trustees appointed separate management and staff who operate from separate office premises;

- SCT ceased to seek recommendations from SIC (on charitable disbursement applications), rather assistance from the services of SIC is bought in as required;
- From 1st January 2009 no council officials are employed by SCT (For 6 years prior to that the Council's Chief Executive also had the title of Chief Executive of SCT but had no routine operational role);
- A communications strategy has been developed to address issues of public perception in relation to the independence of SCT;
- Trustee meetings no longer take place in the council chamber.

Conflict of Interests

- 6.7 The SCT Legal Advisers are of the view that, given the very obvious and occasionally significant conflicts of interest which have arisen and will continue to arise particularly where there are transactions between SCT and SIC, the status quo will cause OSCR difficulties when reviewing the operations of SCT and whether the actions of the Trustees are in accordance with their duties under the 2005 Act. Discussions with OSCR confirm this view.
- 6.8 Although SCT has a Conflict of Interest policy that informs Trustees of their roles and responsibilities in the event of any potential conflicts arising, it is accepted that the ability of Trustees to effectively manage their statutory duties in terms of s66 of the 2005 Act and thus avoid any findings of trustee misconduct by OSCR are paramount and therefore the issue must be addressed. SCT Legal Advisers recommend that the best way to manage potential conflicts of interest, particularly in connection with transactions between SCT and SIC which are recognised will continue to arise from time to time, is to introduce a number of Trustees without any connection with SIC who would be independent and able to take decisions freely without concern of failing in their s66 duties.

Skills, Experience and Attributes of Board of Trustees

- 6.9 Currently there is a wide range of skills and knowledge amongst Trustees. A report published by OSCR presenting the findings of an OSCR enquiry into the failure of the charity One Plus: One Parent Families sets out "Charity Lessons to be Learned". One of the "lessons" stated is that "Charity trustees must ensure they have, collectively, the right mix of skills and experience for the type and scale of the charity for which they are ultimately responsible". The current election process cannot alone guarantee that the board of Trustees has the necessary attributes to deliver what is required. Nor does it have sufficient procedures to ensure structured and appropriate succession

planning. Although highly unlikely, the entire body of Trustees could change at one election.

7. The “No Councillor-Trustee” Option

7.1 The Group concluded that although there are shortfalls in the current model, there are many important and valuable aspects. The strength of the existing model, especially that of representation and strategic links with SIC, meant the Group felt that a board excluding Councillors was not in the best interests of SCT, at this time.

8. Need for Change – Opportunities and Risks Associated with Change

8.1 Given the recognised need for change and the value of certain elements of the current system, the Group went on to consider how best to retain the merits of the present model whilst developing the details of the required change, to ensure an effective board of Trustees. The required result is a body of Trustees representative of the beneficiary group, able to display operational independence sufficient to effectively discharge its duties under s66 of the 2005 Act and having a spread of skills sufficient to manage a charity of the size and complexity of SCT. In considering how best to meet that requirement, it was felt necessary to look carefully at both the opportunities and risks associated with change.

Opportunities Associated with Change

8.2 The Group felt that any concerns OSCR has about governance of SCT should be addressed as part of this process to minimize the risk of findings of misconduct and any forced reorganisation of SCT at OSCR's instance through the provisions of the 2005 Act. In addition, SCT enjoys certain tax reliefs by virtue of its fulfilling its objects in a manner consistent with the provisions of the Taxes Acts. The loss of charitable status for tax purposes would have a direct financial dis-benefit to the local community, which would result in a reduction in the services that SCT is currently able to support. The tax savings due to charitable status is estimated to be at least £3 million pa. Over the lifetime of SCT it could be argued that charitable status for tax purposes has been worth more than £100 million to the community.¹ Arguably, were OSCR to remove SCT from the Scottish Charity Register, HM Revenue & Customs would subject SCT to a higher level of scrutiny than is currently the case.

8.3 SCT was, and still is, seen as the most effective vehicle for ensuring funds are retained and managed locally. Under charity law, the funds can only be used to benefit the inhabitants of

¹ These calculations were undertaken by Jeff Goddard, Financial Controller and are based on a company paying tax on its investment returns, of c.£11 million (on average) @ 28% (current rate of corporation tax) which gives £3 million per annum. It should be noted that a non-charitable Trust pays tax at 40%, which would give a much higher sum.

Shetland for charitable purposes. This provides valuable protection from potential central government interference or intervention. Furthermore Trustees should also be mindful that in terms of the 2005 Act, if a charity is “wound-up” for any reason, the assets have to be used in accordance with its purposes, which must be charitable. The same is the case were SCT to be removed from the Scottish Charity Register – its Trust Fund as at the date of removal from the Register would have to be used in accordance with its charitable purposes and OSCR would continue to monitor SCT until such time as the Trust Fund is exhausted.

- 8.4 If undertaken correctly, a selection process could ensure that the board of Trustees always has the necessary spread of skills, knowledge and attributes required to govern the community funds on behalf of Shetland. Councillor Trustees should be nominated by SIC, rather than appointed and it would be up to Trustees of the SCT to approve these nominations.

Risks Associated with Change

- 8.5 Concerns have been expressed that any change to the current governance arrangements would reduce the direct public accountability, which is currently in place. Any selection or nomination/appointment process could be seen as less open and transparent than the current system.
- 8.6 There is a concern that reducing or changing the make-up of the board of Trustees could mean that control of the community funds becomes dominated by interest groups, and does not serve the best interests of the whole of Shetland.
- 8.7 There is an assumption that by introducing more non-Councillor Trustees that this will somehow “solve” the problems of SCT. Discussions in the Group, including lessons learnt from the Shetland Development Trust, have highlighted that this is not necessarily the case. In fact a change of governance arrangements may solve certain problems, but may equally create others. Furthermore, given the size of the Shetland community, conflict of interest will arise regardless of the make-up of any board.
- 8.8 There is a need for public understanding of the reasons for, and implications of change. The ability to attract sufficient numbers of appropriately skilled individuals to serve as Trustees may also be an issue given the size of the population.
- 8.9 Based on the work of the Group in relation to recognition of the need to change, and the opportunities and risks associated with change, they have drawn up this proposal for consideration by Trustees.

Public Comment

8.10 Trustees should note that this proposed model has been out to public comment.² The responses largely mirrored the wide-ranging discussions undertaken by the Group. Trustees have endeavoured, where possible, to ensure the views of the people of Shetland are taken into account in the proposals, but are mindful that this is not always possible. This report aims to provide justification for the recommendations of the Group, which may either support, or in some cases not be in line with the views expressed through public comment.

9. Proposed Model – “Combination of Councillors and Non-Councillors”

9.1 Given the Group’s decision that there is a need for change, and within the context of the work undertaken, the detailed proposals are outlined below. It should be noted that there is no specific statutory guidance in Scotland for charitable trusts with regard to determining their constitution. OSCR’s guidance for charity trustees “Acting with care and diligence” states that it is good practice, in line with trustees’ duties to act with care and diligence, to consider any constitutional change that may be appropriate.

Number of Trustees

9.2 As mentioned, at present, there are 23 Trustees, 21 of whom, as councillors of SIC, are Trustees *ex officio*. The quorum for a Trustee meeting is 12 Trustees present. In general, the size and structure of a board of Trustees should depend on the nature of the work that they are expected to perform, the spread of skills and experience required and the size and complexity of the charity. SCT is, and is likely to continue to be in the foreseeable future, a funding organisation. Its main functions will be investing money to secure a good rate of return on its capital and then paying out the income earned for projects and services to specialist organisations in line with the corporate plan all in accordance with the 2005 Act and the charitable purposes as stated in the Deed of Trust. A corporate plan is in place and an investment strategy approved.

9.3 The focus of the Trustees’ work is of a strategic nature – how does SCT want to invest its money and what does it want to spend it on? From experience with other board structures, an effective working number of participants would be in the range of 8 to 15 Trustees. Consideration should therefore be given to reducing the overall number of Trustees. It is felt that given the breadth of activity considered by SCT, it would warrant a higher number of Trustees than 8 in this first stage.

² 46 Individuals responded (out of an adult population of 16,495 over the age of 20, according to General Register of Scotland), 10 community councils out of 18 and one group.

- 9.4 The Group wish a board of 15 Trustees to be considered (the quorum proposed is six Trustees, though this may require further consideration). It was felt that this would provide sufficient number for a spread of skills, experience and knowledge and also views to debate and discuss the issues facing SCT over the next few years.

Composition of Board of Trustees

- 9.5 The next issue, which needs to be considered, is the composition of the Board – what skills are required of Trustees and what is an appropriate balance between Council and non-Council Trustees. The existing “job description” for Trustees is set out in Appendix 2. Trustees have a range of strategic, financial and legal responsibilities and a general duty of care to act in the best interests of current and future beneficiaries (in this case, the inhabitants of Shetland). In line with the principles expressed in the Smith and Higgs reports for Non Executive Directors an ideal board would be representative of the skills required at executive level, with a balance of ages, gender and ethnicity of the islands. The skills required for SCT would be in line with its objectives.³
- 9.6 While a full programme and timings of change have yet to be finalised, it is intended that in early course, as soon as details of selection process has been developed, additional non-Councillor Trustees would be recruited. Changes to Councillor Trustee’s numbers would take effect subsequent to the next Council election.
- 9.7 As already mentioned, SCT is predominantly a funding organisation more focused on strategic, rather than operational, decisions. However, in future it is envisaged that Trustees will need to be more involved in the business of SCT. They will receive reports of a more detailed and technical nature and be expected to gain a considerable degree of expertise in trust, charity and investment matters to allow them to make informed funding and investment decisions. It goes without saying that SCT is entering one of its most challenging periods as it works through the financial difficulties it faces. It must also make significant investment decisions on potential income generation opportunities such as Viking Energy Ltd.
- 9.8 SCT has in place a range of professional advisers to ensure that all the financial and legal regulations are complied with, so “professional” financial and legal skills are not necessarily essential.

However, the following general skills and abilities would be beneficial:-

³ Smith, R “Audit Committees Combined Code Guidance,” January 2003 and Higgs, D., “Review of the Role and Effectiveness of Non Executive Directors,” January 2003.

- 9.8.1 A general understanding of financial and investment matters
 - 9.8.2 A willingness to engage actively in the work of SCT and be a champion for the objectives it is trying to achieve.
 - 9.8.3 A challenging yet supportive stance so that Trustees can challenge any proposals from paid staff from an informed position yet at the same time support the overall strategies and policies.
- 9.9 Taking all these issues together, an amended draft role description, which explains the balance of skills, knowledge and expertise expected of Trustees, has been set out in Appendix 3. With a Board of 15 Trustees, the Group propose that 8 Trustees are elected Councillors and 7 are from the wider community with the aim of providing a balanced range of skills and knowledge to carry out the overall objectives of SCT.

Method of Selection

- 9.10 At the moment, Trustee appointments are made by virtue of individuals holding specific positions, that is, elected members of SIC, the Head Teacher of the Anderson High School and the Lord Lieutenant of Shetland. Under these new proposals, SCT would need to change the method of selection to SCT.
- 9.11 From SIC's point of view, it would be necessary to seek nominations for Councillor Trustees linked to Council elections and terms of office. For non-Councillor Trustees, the Group suggested an open selection process from residents of Shetland whose name is listed on Shetland's current Electoral Register. This would be based on the skills set identified as appropriate to SCT. Again, for reasons of continuity in the first instance, the Group proposes that the existing non-Councillor Trustees be retained for a period of 2 years and that new Trustees be selected through open advertisement.
- 9.12 A combination of election and selection was seen to provide the most appropriate method going forward. The people of Shetland, through the election of Councillors, would choose the majority of Trustees. This would retain a level of public accountability, representation and breadth of knowledge of all aspects of life in Shetland, provided by Councillor Trustees at present. The remaining Trustees would be selected on their skills and experience, in order to provide a balanced and an effective board to govern and manage the community's funds in line with OSCR's published guidance.

Duration of Appointments and Continuity

- 9.13 OSCR guidance mentioned above makes specific reference to trustees considering changes in selection or rotation of trustees as part of constitutional reviews. The Nolan Committee recommended for non-executive directors, that, "terms of office,

which should be renewable, should not normally exceed 4 years, and reappointment for third or subsequent terms should be the exception rather than the rule". If these principles, which are being applied in many charities, were followed, the Trustees' maximum term of office would be limited to 2 4-year periods once the system is established (but Council appointed Trustees' term of office should mirror that of council elections). The normal period of appointments would be for 4 years and Trustees would be required to seek re-selection if they wish to serve 2 terms. After a break of 4 years, individuals would be free to seek re-selection for another maximum 8-year period. Consideration must be given to succession planning, and transitional arrangements to ensure continuity and the appropriate skills set of the Trustee body.

- 9.14 The Group considered whether, given the size of the Shetland community and the concern of attracting suitable candidates, the period of office should be extended to 3 times 4-year terms. They concluded that 2 terms of 4 years would be best. This would be adjusted to fit in with Council elections over the next few years.

Implementation

- 9.15 To effect these proposed changes will require legal advice to prepare a Supplementary Trust Deed, and will require notification of the changes to OSCR under section 17 of the Charities and Trustee Investment (Scotland) Act 2005. Time will be required to appoint the new Trustees, bring the ex officio non-Councillor appointments to an end, and amend the existing operational framework and procedures, including the Administrative Regulations, Powers of Attorney, and so on. A detailed implementation plan will be prepared for Trustees.

10. Conclusions

- 10.1 This report makes proposals to significantly change the shape of SCT. The overall objective is to ensure that SCT can continue to operate as a wholly autonomous organisation for the benefit of the inhabitants of Shetland and satisfy OSCR that the Trustees can effectively discharge the duties imposed on them by the 2005 Act, free from any undue influence by SIC in its decision making or management, whether actual or perceived.
- 10.2 The Group, after much consideration, has chosen to present its favoured option. The option attempts to capture the merits of the current model while recognising the need to adapt to the changing regulatory environment in which SCT must now operate.

11. Recommendations

11.1 I recommend that Trustees:

- (a) consider the size of the Board and agree that 15 would be an appropriate number of Trustees;
- (b) consider the composition of the Board and agree that an appropriate balance between Council and community appointments would be 8 Council Trustees and 7 from the wider community;
- (c) agree to the new Trust electing a Chair and Vice Chair from the new group;
- (d) agree, for reasons of continuity, to ask the Lord Lieutenant of Shetland and the Head Teacher of the Anderson High School, as existing Trustees, to remain as Trustees for a period of 2 years after the next SIC election; and
- (e) agree in principle, subject to Local Government Election Schedules, that all Trustees serve for 4 year terms and that the maximum duration of each Trustee term of office be no longer than 2 4-year periods with a 4 year break before re-selection can be sought;
- (f) agree that non-Councillor Trustees periods of office start and finish at the mid-point of council terms to ensure appropriate succession planning.

Appendices:

1: - Terms of Reference

2 : - Existing Roles and Responsibilities of Trustees

3. – Proposed New Role Description

References:

- 1 McFadden Commission – Scottish Charity Law Review Commission on Charity Regulation in Scotland and the Scottish Executive's Response to that Report, 2001
- 2 Smith, R, "Audit Committees Combined Code Guidance", January 2003
- 3 Higgs, D., "Review of the Role and Effectiveness of Non Executive Directors, January 2003
- 4 Nolan Committee - Standards in British public life Reports 1 and 2
- 5 OSCR –Guidance for charity trustees:"acting with care and diligence"
- 6 OSCR Case Study – "One Parent: One Plus Families", a Report from OSCR under section 33 of the 2005 Act

Appendix 1

Shetland Charitable Trust Governance Review Group

Terms of Reference

1. **Agree how SCT should be governed.** Consider the most appropriate way in which to govern the community's funds on behalf of the people of Shetland, in light of the current regulatory and legislative framework. Ensure options encompass "future proofing", as far as is practical. Consider the best method of appointing Trustees, be it elected, co-opted or selected.
2. **Community Requirements.** Ensure that the funds are protected, enhanced and used in the best interests of the people of Shetland. Ensure that strategic alliances are maintained in the best interests of Shetland. Ensure the Trust is governed in an open and transparent manner.
3. **Legislative and Regulatory Requirements.** Consider how best to evidence the effective operational independence of the Trust within the Shetland context. It is essential to illustrate the unique strategic partnership that exists between SCT and Shetland Islands Council, and the shared common interest of the two bodies who are both accountable to and work on behalf of the people of Shetland. Demonstrate that the two organisations remain strategically linked but operationally independent, in order to ensure that the Trust meets the regulatory requirements and retain charitable status.
4. **Consider how best to demonstrate compliance with Section 66 of the Charities and Trustees Investment (Scotland) Act 2005.** Consider how best to guard against potential, or perceived "conflict of interest" issues. Consider the constitutional arrangements and operational procedures to ensure that decisions involving a possible conflict of the interests (between the charity and any other body to which such charity trustees owe a duty) are taken in the best interests of the charity itself. For example, how best to deal with financial transactions between SCT and SIC.
5. **SCT to consider amending its purposes.** Consider a review of the purposes of SCT, including historic performance, and hence review the Trust deed. (As per the 14 defined charitable purposes outlined in the Charities and Trustee Investment (Scotland) Act 2005), and how it had been met in the past.
6. **Consider the implications of any change.** Consider the implications of "doing nothing". Consider the implications of an amended Trustee body, which seeks to persuade OSCR of the unique features of Shetland, and requests a more flexible approach to complying, with the requirements of the regulatory body. Consider the implications of a different body.

Appendix 2

Existing Trustee Roles and Responsibilities

Trustees noted the following description of Roles and Responsibilities at their meeting on 16 April 2003 [which is now updated following the implementation of the 2005 Act]

Each trustee shall act honestly and in good faith and in the best interests of SCT and the beneficiaries thereof.

Each trustee shall attend regularly the meetings of SCT and any Committee of which the Trustee is a member.

A trustee's prime concern is the interest of the Charity. Trustees must act and take decisions in the best interest of the charity and present and future beneficiaries.

Except where any particular task is specifically delegated to one or more trustees or to others, the trustees acting together take decisions affecting SCT. Even if a task is delegated the trustees retain ultimate responsibility for all decisions.

Trustees must take care to act in accordance with the Trust Deed.

Trustees are under a duty to ensure compliance with all relevant legislation and guidelines (such as the various charities acts and in relation to tax matters).

Trustees are responsible for setting the strategic aims, objectives and direction of the charity.

Trustees must protect the charity's assets and be accountable for the solvency and continuing effectiveness of the charity and the preservation of its endowments.

Trustees must exercise overall control over its financial affairs and ensure the completion of the relevant statutory reports, returns and accounts.

Trustees have a duty of care and [under the 2005 Act] must act with the care and diligence reasonably expected of a person who is managing the affairs of another person.

Appendix 3

Proposed Role Description for Recruitment Purposes

Shetland Charitable Trust (SCT) was established in 1976 to receive the income, known as the Disturbance Receipts, which the Shetland community got from the oil industry to compensate the people of Shetland for building the oil terminal at Sullom Voe. SCT has assets of about £200m and an annual budget of about £13m. SCT is facing considerable financial pressures and is looking to reduce its spending commitments to an affordable level. SCT mainly carries out its business by paying out grants to local charitable organisations, which are specialists in their own field.

Shetland Charitable Trust is an independent organisation, which is managed, on behalf of the people of Shetland, by trustees. Previously, all 22 Councillors were appointed to sit on SCT, along with two others. However, a decision has been taken to change the membership of SCT. The number of Trustees has been reduced to 15, of which the Council will nominate 8 and 7 will be independently selected from the local community.

Trustees do not receive any remuneration. Expenses wholly and necessarily incurred while carrying out the business of SCT can be claimed.

The role of Trustee of Shetland Charitable Trust is a challenging one.

Trustees will be expected to have some of the following skills and knowledge:

- An interest in the business of SCT and a willingness to actively engage in its work for the benefit of the inhabitants of Shetland
- Ability to communicate effectively about the work of SCT
- A good understanding of public services and the role they play in the economy and their contribution towards a balance of services
- An interest in the sectors which SCT is most actively involved in, for example: care and welfare; arts, sport, culture and recreation; and the environment, natural history and heritage
- An interest in the work of the local voluntary sector
- A strategic thinker, with an ability to articulate a vision for Shetland
- A challenging mind, with an ability to challenge the way things are currently done
- An enterprising mind, with an ability to seek out new opportunities
- Effective at partnership working
- An understanding of the strategic, legal and financial responsibilities of being a Trustee
- A knowledge of financial and investment matters would be beneficial
- Free from significant conflicts of interest with the work of SCT.

Potential candidates require to be resident in Shetland and listed in Shetland's Electoral Register.

The basic time commitment for this post is estimated to be about 2 days a month, plus appropriate reading time.

REPORT

To: Shetland Charitable Trust

11 February 2010

From: General Manager

Report No: CT1002002


Budget 2010/11

1 Introduction

- 1.1 This report sets out a budget for next year, 2010/11, for approval. The total recommended budget for 2010/11 stands at £10,302,150, which is a decrease of some 16.6% on the Trust's budget for the current year, 2009/10, of £12,359,817.
- 1.2 The budget has been set in line with the trust's recent and projected financial position, and within the context of the remit and work undertaken by the Funding Review Group.

2 Background

- 2.1 The Trust receives investment income of around £9 million per annum (dividends, interest and gift aided profits from subsidiary companies). Currently the Trust's annual expenditure is £13 million (including some one-off items). In the past, such funding gaps have been made up by capital growth over the long run. However, last year, 2008/09, saw significant capital losses on paper. A large part of these "paper" losses have been recovered in the current year, but the Trust's balance sheet is about £20 million below the target.
- 2.2 The Trust sets its budget strategy using a three year cycle. In May 2008 Trustees agreed to secure savings of £1 million per annum on ongoing commitments by the end of the next 3-year period, to March 2012 (min ref CT/34/08). This strategy was calculated to preserve the Trust's long-term investible reserves at £220 million (in March 2009 terms).
- 2.3 Trustees, given the current climate and position of the Trust, are trying to re-establish financial stability. At their meeting on 2 July 2008, Trustees decided to appoint a working group to undertake a review of the bodies funded by the Trust, with a view to identifying possible savings. Trustees also agreed to invite the Shetland Islands Council (SIC), as its strategic partner, to participate in the review. On



17 September 2008, a number of Trustees were appointed to the group.

- 2.4 The remit of the joint Trust/SIC group was agreed at the Trustee meeting on 13 March 2009 (Min Ref CT/20/09). The group's work was divided into two phases, firstly to review all activities and services where the Trust funding is over £500,000 and then to look at the remainder.
- 2.5 It was agreed that the three large trusts undertake a self-review in order to identify a collective saving of £500,000, with minimum impact on frontline services. The results of this review and subsequent savings were reported to Trustees and agreed on 17th September 2009 (Min Ref CT/60/09). A parallel process was undertaken by staff at this Trust, with a similar level of savings identified in the administration costs of the SCT (approved by Trustees on 10 December 2009, Min Ref CT/81/09).
- 2.6 A review of the Christmas grant scheme and equalisation of charges was also undertaken as part of this process. Savings totalling some £1.435 million were identified and approved on 28 May 2009 (Min Ref CT/35/09) and 10 December 2009 (CT/89/09) respectively.
- 2.7 In respect of the second phase of the review, the smaller groups funded by the trust have also been asked to identify savings within their own services, and these are presented as part of the budget process.
- 2.8 All funded bodies, to take into account SCT's need to reduce disbursements, have prepared bids on a **standstill** basis. Each organisation has been asked to submit a budget totalling no more than last year's figure and have been asked to submit details of any cuts in service, which they envisage as a result of this request. This includes the three large trusts who were asked to submit a standstill budget based on the 10% reduction agreed through the funding review process. SCT itself has also presented a budget in line with the parameters agreed with the three large Trusts.
- 2.9 The table below provides a comparison between the current financial year and the proposed budget for 2010/11:

Table 1: Summary of Recommended Budget: Ongoing Revenue

Category	Approved Budget 2009/10 £000	Recommended Budget 2010/11 £000
<u>Programme:</u>		
Community Development	3,769	3,428
Housing	26	26
Planning	1,134	1,107
Children's Services	245	243
Education	37	0
Community Care	3,948	3,055
Transport	50	50
Shetland Charitable Trust	9	9
Christmas Grant Scheme	1,148	578
Maintenance Programme	1,389	1,262
Management and Administration	605	544
Total	12,360	10,302

- 2.10 Appendix 5 shows the standard grant conditions, which are applicable to most revenue grants given. A detailed analysis of the purpose of each of the organisations and projects is outlined in Appendix 6, to justify the applications for funding. Also included in Appendix 6 are key targets and outcomes to be achieved during 2010/11, which forms the basis of the Grant Offer Letter and performance reporting system.
- 2.11 This Report deals only with ongoing revenue commitments. Trustees have previously agreed various one-off/project budgets, and these are noted below

<u>Project</u>	<u>Outstanding commitment</u>
Fire Upgrades in Rural Care Homes - Clan 123	£396,281 £250,000

3. Summary of Budget Recommendations

- 3.1 All the detailed budgets for the charitable programmes are shown in Appendix 1. These programmes total £7,918,026, a reduction of 14% on 2009/10. Two applications have yet to be considered, one from WRVS has not been included as they were too late in submitting required service information, and another is the subject of a report in the confidential section of the agenda. Had these two applications been included, the programmes total would have increased by £73,834, making a reduction of 13% on 2009/10.
- 3.2 The justification for the Christmas Grant estimate at £578,000 is included in Appendix 2. This estimate is based on the actual outturn of the modified scheme for 2009/10, which was some £23,000 higher than expected. This may be as a result of the trust's collaboration with SICAB to encourage all those who were entitled to benefits to claim them. An allowance is included in the 2010/11 figure for a further small increase in the number of applicants, to allow for an increased uptake in qualifying benefits.
- 3.3 The Planned Maintenance Programme is included in Appendix 3. Trustees will be aware that the level of work on building maintenance fluctuates year on year and the recommended budget for 2010/11 is £1,261,660, a reduction of £127,250 on 2009/10. However, some £102,500 of this forms part of the Shetland Amenity Trust's contribution to the £0.5 million by the three big trusts in the funding review.
- 3.4 The detailed breakdown of the Trust's Management and Administration budget, at £554,464, is included in Appendix 4. This budget has been reduced by 10% from 2009/10.
- 3.5 In summary, the proposed budget presented in this report goes some way to meeting the Trusts policy of self-sustainability, but Trustees should continue to carefully control expenditure, whilst, monitoring current and potential investments in order to ensure maximum income for the Trust going forward. These budget savings do not in themselves provide the opportunity to tackle various financial issues that Trustees may face in the future. For example the Trust has no financial provision for funding major asset replacement or renewal for the over forty buildings it has some degree of responsibility for maintaining. The trust has no funds available for new activity, either capital or revenue, and demographics will drive the need for more care home places etc.

4 Analysis of Bids for 2010/11

4.1 Community Development Services - £3,428,392

The total programme in support of Community Development services is recommended at £3,428,392.

- 4.1.1 **Shetland Arts Development Agency** – As a result of the self funding review, Shetland Arts had identified savings of £77,338 on their current level of funding of £773,376. A bid of £709,958 has been submitted, which includes a 2%

inflationary increase on the reduced net amount. Justification is given for the increase in two main areas. Firstly, Trustees may recall that when the Garrison Theatre was taken over by Shetland Arts, the running costs had been underestimated (by all involved) and the budgets that had been set were not sufficient to cover actual costs. Secondly, the Shetland Arts five year Business Plan was based on the assumptions of 2% annual inflation on core funding. Shetland Arts have stated that the combined impact of the above will pose a significant challenge over the next few years, and at a time when activity is due to double through the provision of Mareel. Whilst recognising that there will be challenging times ahead, I am **recommending a budget of £696,038, in line with the Trust's current strategy.**

- 4.1.2 **Shetland Arts Fund** – The budget head supports a grant aid scheme to financially assist individuals and community groups for a wide range of arts activities. **I recommend a standstill budget of £35,000.**
- 4.1.3 **Shetland Recreational Trust** - As a result of the self funding review, the SRT have presented a budget which is some £263,000 less than last year. This is £37,000 less of a reduction than originally proposed, because the Shetland Islands Council has agreed to take on the funding of the Field Studies Service previously funded by the trust. Overall there will be a slight saving to both parties as the liability to VAT will be reduced. SRT is examining the consequences of the effect of a standstill budget on their service, and is in discussion with Shetland Islands Council to establish the level of service which can be provided with the funding available. **I am recommending their bid of £2,518,550, which is in line with the Trust's current strategy.**
- 4.1.4 **Disability Shetland (Recreation Club & Social Activities)** – **I recommend the bid of £12,641, which is a standstill on last year's budget.**
- 4.1.5 **The Swan Trust** – **I recommend the bid of £48,900, which is a standstill on last year's budget.**
- 4.1.6 **Development and Support Grant Aid Schemes** – These are well established grant aid schemes, designed to assist community groups and voluntary organisations with operating costs and programme, project or activity costs. **I am recommending standstill budgets of £22,272 for the Development Scheme and £64,321 for the Support Scheme.**
- 4.1.7 **Shetland Folk Festival** – Although Shetland Folk Festival have submitted a standstill bid as requested, they would ideally have hoped for an increase on this amount, to ensure a variety of quality acts in celebration of the Festival's 30th

Anniversary. They are confident however that they can still deliver a "first class professional Festival". Shetland Folk Festival also make note of their appreciation of the approval given by Trustees to amend the Trust's reserves policy. As Trustees will recall, the amendment allows organisations to retain one twelfth of all income, as reserves. **I recommend a standstill budget of £18,000.**

4.1.8 Shetland Accordion and Fiddle Festival – I recommend the bid of £12,000, which is a standstill on the current year's budget.

4.1.9 The New Shetlander – A bid of £670 has been submitted for producing the New Shetlander, compared with the current year's budget of £370. This budget has been progressively reduced over the past few years and is no longer sufficient to cover costs. **I recommend the bid of £670.**

4.2 Housing - £25,500

4.2.1 Sheltered Housing Heating – The subsidy is designed to give sheltered housing tenants a fixed amount for fuel costs. **I recommend the bid of £25,500, which is a 2% reduction on the current budget.**

4.3 Planning - £1,106,803

4.3.1 Shetland Amenity Trust – - As a result of the self funding review, the SAT have presented a budget which is some £27,500 less than last year. SAT proposed savings totalling £130,000, but some £102,500 of the savings have been taken from their Planned Maintenance Programme. **I recommend their bid of £1,052,728, which is in line with the Trust's current strategy.**

4.3.2 Shetland Churches Council Trust – A bid of £54,075 has been submitted, which is marginally less than the current level of funding. Shetland Churches Council Trust have stated however, that they have significantly cut overheads in recent years, and an additional £4,000 or so, would ensure that they can deliver the same level of service. Given the current climate, **I recommend the standstill bid of £54,075.**

4.4 Children's Services - £243,258

4.4.1 Shetland Youth Information Service – I recommend the bid of £188,840, which is a standstill on the current level of funding.

4.4.2 Shetland Befriending Scheme – A bid of £84,593 has been submitted by Shetland Befriending Scheme, which includes funding for a new post of Children and Young Person's

Development Worker. Whilst it is recognised that a high quality service is being delivered by this service, the current position is that the Trust is unable to take on new commitments. **I am recommending a budget of £54,418, which is the bid amount less the cost of the new post. This amount is a decrease of 2.7% on the current level of funding.**

4.5 Education £0

4.5.1 SIC Education – Field Studies Service - For reasons of efficiency this service will be funded through the Council's Education Service, making a net saving to both organisations of some £6,000.

4.6 Community Care Services - £3,054,593

The total programme in support of Community Care services is estimated at £3,054,593. Some organisations have submitted additional information which is summarised below.

4.6.1 Citizens Advice Bureau – Citizens Advice Bureau has submitted a bid of £147,665, which is marginally less than the current year's funding. Included however, is an amount of £15,400, which represents 50% funding for the additional Welfare Rights worker. Trustees had previously approved a request for 50% funding of this post, for a two year period only, up to and including 2009/10. Citizens Advice Bureau has funding in place to meet 50% of this post for 2010/11, and request that the Trust extends its period of funding for an additional year, in order to meet the remaining 50%. The post is fixed term and if future funding cannot be identified, the post will be deleted, which will result in a reduction in the present level of welfare rights work currently being undertaken. Whilst recognising the valuable service which Citizens Advice Service provides, **I am recommending a budget of £132,265, which excludes the one year's extended funding towards the Welfare Rights post.**

4.6.2 COPE Ltd – I recommend the bid of £154,967, which is a standstill on the current level of funding.

4.6.3 Couple Counselling Shetland – I recommend the bid of £12,000 which is a standstill on the current level of funding.

4.6.4 Senior Citizens Grants – This budget head supports senior citizens clubs with a programme of activities. **I recommend the standstill bid of £23,000.**

4.6.5 **Shetland Link Up** – Although a standstill bid of £47,994 has been submitted as requested, Shetland Link Up has stated that this cannot be achieved without impact on the organisation, as any increases in costs will be difficult to absorb in its already tight budget. Demand for the services provided has increased steadily over the past few years, and this has been delivered within existing resources, often by employees working in a voluntary capacity. Whilst recognising the dedication of both its staff and volunteers, **I recommend a standstill budget of £47,994, in line with current strategy.**

4.6.6 **Voluntary Action Shetland (formerly SCSS)** – **I recommend the bid of £144,367, which is a slight reduction on the current level of funding.**

4.6.7 **Local Charitable Organisations** – This budget head provides a source of funding for voluntary organisations providing care and welfare activities and services. **I recommend the bid of £14,000, which is a standstill on the current level of funding.**

4.6.8 **Social Assistance Grants** – This scheme provides assistance to individuals who have been assessed as being in need of material or financial assistance. **I recommend the standstill bid of £35,000.**

4.7 Transport - £49,980

4.7.1 **Bus Services for Elderly and Disabled Persons** – This scheme supports the cost of daily transport services to/ from clients home and/ or various social work establishments for elderly and disabled persons. **I recommend the standstill bid of £49,980.**

4.8 Shetland Charitable Trust Direct Schemes – £9,500

4.8.1 **Employment of Disabled** – This budget head pays for some of the staffing costs of people on supported work placements. **I recommend the standstill bid of £8,000.**

4.8.2 **Springfield Chalet** – This budget is used to cover the shortfall in the net direct costs of running the Springfield Chalet. **I recommend the standstill bid of £1,500.**

4.9 Christmas Grant Scheme - £578,000

4.9.1 **The recommended budget of £578,000 is a decrease of £569,500 on last year's budget of £1,147,500.** The detailed justification is shown at Appendix 2. In 2009/10, Trustees decided to target the Christmas grant to those most in financial need. This has led to a reduction in the number of grants paid, and a big reduction in the Trust's liability for Income Tax.

4.10 Planned Maintenance Programme - £1,261,660

4.10.1 The Maintenance Programme continues to represent a significant proportion of the Trust's spending commitments year on year. **The detailed Planned Maintenance Programme at Appendix 3, of £1,261,660, represents a decrease of 9% on the previous year.** Planning and programming maintenance inevitably means some variation in the annual budgets within the programme. The philosophy of the Trust has always been to invest in our buildings, to maximise their useful life. This is embedded in the Corporate Plan, which states that the Trust will "maintain existing property, facilities and equipment in a fit for purpose condition". The Trust is directly or indirectly responsible for over 40 buildings. A major review of the Trust's Planned Maintenance Programme is underway, and the outcome will be reported to Trustees in the summer.

4.10.2 The Trust has a Service Level Agreement with the Council's Building Services Unit, to provide professional technical advice with regard to legislative requirements and appropriate standards for maintenance works. From an administrative point of view, we continue to encourage organisations, which we support, to separate the cost of the maintenance of assets from their day to day operating costs.

Shetland Recreational Trust – £809,374. Shetland Recreational Trust has agreed to cap their budget at the same as last year, and have accepted the need to prioritise within that sum. SRT wishes to remind Trustees that this is the second year that some of their maintenance programme has had to be cut, and that this will eventually impact on their ability to deliver their service.

Shetland Amenity Trust – £279,486. Shetland Amenity Trust has identified savings of £102,500 in their maintenance programme, mostly by re-scheduling their vehicle replacement programme. These have been made as part of their overall budget savings of £130,000.

Shetland Arts – £52,000. Shetland Arts are in the process of taking over their own maintenance, having previously relied on Shetland Islands Council for assistance. The programme has yet to be finalised, but an allowance (based on Gross Internal Floor Area) has been included of £52,000, a reduction of some £26,250 from last year.

22-24 North Road – £17,200. This is an increase of £8,200 on last year, but includes an allowance of £10,000 for re-modelling the interior of the building to create a more efficient working space. The balance of the cost (some £20,000) will be met from savings achieved on the Trust's maintenance programme for the current year.

Market House – £32,500. This budget has been reduced by £5,500 in line with actual expenditure for previous years.

The Swan – £21,100. The Swan Trust has presented a programme which will cost the same as last year.

4.11 Management and Administration - £544,464

4.11.1 For 2010/11, I have estimated the cost to the Trust under this heading to be £544,464, which is a reduction of 10% over 2009/10.

5 Draw Down of Funding

5.1 Trustees are required to formally agree the “draw down” (ie paying the grant) of funding to each of the organisations, which have successfully applied for funding from the Shetland Charitable Trust. Rather than considering each application separately, Trustees are asked to approve drawing down funding for all the organisations as indicated on Appendix 1. The costs (Appendix 1) and level of service (Appendix 6) have been agreed as part of the budgeting process through the application forms. This enables payment (usually 50% of the total grant) to be made to the organisations on, or as soon as possible after, 1 April 2010.

5.2 I have included the standard grant offer letter, for information, at Appendix 5. There are variations to this letter for awards to charitable companies and for small awards of less than £25,000.

6. Conclusion

6.1 The recommended budget is some £2.06 million (16.6%) lower than last year. This has been achieved by review groups and also by working closely with the organisations we fund, to achieve the maximum savings with the minimum impact on the services provided. The Trust’s expenditure still exceeds its income by some £1.1 million, so efforts must continue to ensure that the Trust achieves financial stability in the long term.

7 Recommendations

7.1 I recommend that Trustees:

- (a) consider the applications for funding for the charitable programme for 2010/11 set out in Appendix 1, to provide the services set out at Appendix 6, and agree to the level of financial assistance as recommended, totalling £7,918,026; and
- (c) agree a budget of £578,000 for the Christmas Grant Scheme, as detailed in Appendix 2; and
- (d) agree the detailed Planned Maintenance Programme of £1,261,660, as set out in Appendix 3; and
- (e) agree the detailed Management and Administration Budget of £544,464, as set out in Appendix 4; and

- (f) approve the draw down of the approved budgets totalling £2,601,882, as indicated in Appendix 1, including the preparation of the Grant Offer Letters which set out simple statements of services and standards expected to be received for the grants awarded.

General Manager
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Report Number CT1002002
Date: 1 February 2010

The Appendices to this Report are listed below:

- Appendix 1: Programme
- Appendix 2: Christmas Grants
- Appendix 3: Planned Maintenance
- Appendix 4: Management and Administration
- Appendix 5: Grant Conditions
- Appendix 6: Service Performance

Appendix 1

Detailed Budget Charitable Activities for 2010/11

Budget Head / Organisation	Dept	Budget 2009/10 £	Bid 2010/11 £	Rec 2010/11 £	Draw Down
Shetland Arts	Comm Dev	773,376	709,958	696,038	D
Shetland Recreational Trust	Comm Dev	2,781,550	2,518,550	2,518,550	D
Disability Shetland (Recreation Club)	Comm Dev	12,641	12,641	12,641	D
The Swan	Comm Dev	48,900	48,900	48,900	D
Development Grant Aid Scheme	Comm Dev	22,272	22,272	22,272	
Arts Grant Aid Scheme	Comm Dev	35,000	35,000	35,000	
Support Grant Aid Scheme	Comm Dev	64,321	64,321	64,321	
Festivals: Folk Festival	Comm Dev	18,000	18,000	18,000	D
Festivals: Accordion and Fiddle	Comm Dev	12,000	12,000	12,000	D
The New Shetlander	Comm Dev	370	670	670	D
	Comm Dev Total	3,768,430	3,442,312	3,428,392	
Sheltered Housing Heating	Housing	26,010	25,500	25,500	
	Housing Total	26,010	25,500	25,500	
Shetland Amenity Trust	Planning	1,080,228	1,052,728	1,052,728	D
Shetland Churches Trust	Planning	54,115	54,075	54,075	D
	Planning Total	1,134,343	1,106,803	1,106,803	
Shetland Youth Information Service	Children	188,840	188,840	188,840	D
Shetland Befriending Scheme	Children	55,935	84,593	54,418	D
	Children Total	244,775	273,433	243,258	
SIC Education-Field Studies Service	Education	37,206	0	0	
	Education Total	37,206	0	0	
Citizens Advice Bureau	Comm Care	147,850	147,665	132,265	D
COPE Ltd	Comm Care	154,967	154,967	154,967	D
Couple Counselling Shetland	Comm Care	12,000	12,000	12,000	D
Senior Citizens' Clubs	Comm Care	23,000	23,000	23,000	
Shetland Link-up	Comm Care	47,994	47,994	47,994	D
Voluntary Action Shetland	Comm Care	144,412	144,367	144,367	D
Support to Rural Care Model	Comm Care	3,291,189	2,491,000	2,491,000	
Local Charitable Organisations	Comm Care	14,000	14,000	14,000	
Social Assistance Grants	Comm Care	35,000	35,000	35,000	
	Comm Care Total	3,870,412	3,069,993	3,054,593	
Bus Services: Elderly and Disabled	Transport	49,980	49,980	49,980	
	Transport Total	49,980	49,980	49,980	
Supported Employment	SCT	8,000	8,000	8,000	
Springfield Chalet	SCT	1,500	1,500	1,500	
	SCT Total	9,500	9,500	9,500	
	Grand Total	9,140,656	7,977,521	7,918,026	

Justification for Christmas Grant Budget 2010/11**Pensioner and Disabled Persons: 2009/10 Actual**

Beneficiary	Number	Grant Amount £	2009/10 cost £
Pensioners	1218	300	365,400
Disabled Persons	467	300	140,000
Administration			3,000
Tax			16,875
Total Cost			525,375

Pensioner and Disabled Persons – 1010/11 Estimate

Beneficiary	Number	Grant Amount £	2010/11 estimate £
Pensioners	1340	300	402,000
Disabled Persons	510	300	153,000
Administration			3,000
Tax			16,875
Total Cost			578,000

Appendix 3**Planned Maintenance Programme 2010/11**

<u>Organisation / Programme</u>	Budget 2009/10 £	Estimate 2010/11 £
<u>Shetland Recreational Trust</u>		
Major Refurbishments and Replacements	250,000	250,000
Routine Repairs	61,609	61,609
Facility Maintenance	497,765	497,765
Sub Total: Shetland Recreational Trust	809,374	809,374
<u>Shetland Amenity Trust</u>		
Property, Vehicles and Equipment	268,180	181,519
New Museum and Archives	113,806	97,967
Sub Total: Shetland Amenity Trust	381,986	279,486
<u>Shetland Arts</u>		
Office at Toll Clock	6,250	2,000
Weisdale Mill	25,000	10,000
Garrison Theatre	47,000	40,000
Sub Total: Shetland Arts	78,250	52,000
<u>Other Properties</u>		
Market House (Voluntary Action Shetland)	38,000	32,500
The Swan (Swan Trust)	21,100	21,100
22-24 North Road (Shetland Charitable Trust)	9,000	17,200
Springfield Chalet (Shetland Charitable Trust)	2,700	1,500
Property Advice / Technical Support	48,500	48,500
Sub Total: Other Property	119,300	120,800
Total All Programmes	1,388,910	1,261,660

Appendix 4

Management and Administrative Costs 2010/11

Category	Type	Budget	Estimate
		2009/10	2010/11
		£	£
Staffing	Basic Pay and Allowances	370,713	355,000
Staffing	Professional Fees	2,000	2,000
Staffing	Travel and Mileage	4,000	3,500
Staffing	Training and Staff Development	7,000	7,000
Staffing Total		383,713	367,500
Operating	Administration	8,000	3,250
Operating	Supplies and Services	7,000	4,260
Operating	Insurance	10,000	10,000
Operating	Bank Charges	1,500	1,000
Operating	Professional Fees: Other	10,000	10,000
Operating	Miscellaneous Items	1,000	1,200
Operating	External Audit Fees	14,000	20,000
Operating	Members Allowances	8,500	7,500
Operating	Members Expenses	2,500	2,800
Operating	Legal Fees	48,610	40,000
Operating Total		111,110	100,010
Property	Energy Costs	5,000	3,500
Property	Cleaning	7,000	6,000
Property Total		12,000	9,500
Services	Finance: Management Accounts	3,642	0
Services	Finance: Income/Cashiers	1,327	1,284
Services	Finance: Payroll	1,424	1,700
Services	Finance: Pensions Administration	1,500	1,300
Services	Finance: Treasury (Fund/Cash Management)	34,688	35,000
Services	Finance: Office Services (Personnel Admin)	2,359	2,346
Services	Finance: Internal Audit	1,850	0
Services	Organisational Development: Personnel	2,406	2,559
Services	Legal and Administration: Committee		
Services	Services	11,563	11,750
Services	Computer Services	35,347	9,400
Services	Insurance Admin	2,112	2,115
Services Total		98,218	67,454
Grand Total		605,041	544,464

Standard Grant Offer Letter

Dear Sirs

The Trustees of the Shetland Charitable Trust ("the Charitable Trust") have approved a revenue grant of up to £x to the ("the Grantee") for the purpose detailed below, in the year to 31 March 2011.

This grant is subject to the following conditions:-

- a) that the Grantee provides evidence that it maintains charitable status;
- b) that the Grantee will comply with every request from any authorised officer or agent of the Charitable Trust for the supply of such information as is required for the proper monitoring of the grant, including the minutes of formal meetings where appropriate;
- c) that the Grantee undertakes to spend the grant, and any interest earned thereon, solely in the interests of Shetland and its inhabitants for the grant purpose specified, acknowledging that individuals or bodies who do not form part of the community may benefit indirectly from this service;
- d) that the grant offer letter is accepted and returned within six weeks of the letter date;
- e) that the Grantee makes every effort to obtain external funding which might further reduce sums presently sought from the Charitable Trust;
- f) that the Grantee accounts for the application of the grant in statements to the Charitable Trust, the statements to be of a format and frequency to be agreed by the Financial Controller;
- g) that the Grantee provides service performance reports as required for the proper monitoring of the grant, the reports to be of a format and frequency to be agreed by the Service Co-ordinator;
- h) that the Grantee provides within six months of the end of the period for which the grant was given, accounts prepared in accordance with current regulations, showing how the grant was applied and what surplus remains (if any);
- i) that any unused monies, at the end of the period funded be applied in the first instance to a general reserve in line with the Charitable Trust's agreed policy and thereafter be repayable to the Charitable Trust;

- j) that in the event of any of the foregoing conditions being breached, the grant may be repayable, in whole or in part, at the sole discretion of the Trustees of the Charitable Trust.

For conditions b), f), g) and h) you will be required to provide:-

- b) minutes of formal meetings, and any other information on request;
- f) quarterly management accounts, within six weeks of the period end;
- g) quarterly service performance reports, within six weeks of the period end;
- h) accounts prepared in accordance with the requirements of current legislation.

Grants over £20,000 will be paid in two instalments, the first on receipt of the grant offer letter, duly signed, and the second on receipt of your required financial statements for the previous year.

This grant offer letter is sent in duplicate. If the Grantee is prepared to agree to the conditions, the authorised Trustees should sign both copies on the Docquet and complete the bank details. One copy should then be returned to me.

Yours faithfully

General Manager

cc: Service Co-ordinator

DOCQUET

We, the duly authorised Trustees/Officials of <name> confirm that we have read and understood the conditions in this letter dated <date>, offering grant of up to £x. We further confirm that we agree to abide and be bound by these conditions, and that we herewith accept on behalf of <name>.

.....
.....

Date:

Appendix 6

Introduction

This Appendix sets out the purpose of each of the organisations, schemes or projects for which funding has been recommended from Shetland Charitable Trust for the financial year 2010/11.

Community Care

Organisation / Project	Purpose	Key Targets 2010-11
Shetland Islands Citizens Advice Bureau	Providing an independent advice and information service to: <ol style="list-style-type: none"> 1. Ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities, or of the services available to them, or through an inability to express their need effectively and 2. to exercise a responsible influence on the development of social policies and services, both locally and nationally. 	New client contacts (3,500) New client issues (6,000) Repeat client contacts (6,000) Repeat client issues (10,000) Employment tribunals (or negotiated settlements, including ACAS) (10) Confirmed employment annual financial gains (£20,000) Confirmed annual financial gains across all subject areas, excluding Welfare Rights and employment gains (£50,000) Welfare Rights Appeal Tribunals (40) Welfare Rights Reviews/Supersessions (50) Welfare Benefit Health Checks (150) Welfare Rights confirmed annual financial gain (£750,000) Total debt managed, including

		Monday Advice Project (£3,000,000) Customer satisfaction results
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Community Care (cont.)

Organisation / Project	Purpose	Key Targets 2010-11
COPE	To provide training, support and employment opportunities to adults with learning or physical disabilities	<p>To provide training, support and employment opportunities for 50 people with disabilities in Shetland.</p> <p>10 school placements expected to be made available.</p> <p>Expected to support 10-12 placements within the COPE enterprises resulting in approximately 900 hours.</p> <p>Whalsay Project</p>
Market House and Voluntary Action Shetland (also covers Disability Shetland management)	<p>1. To provide a central point for the voluntary sector, providing office space, storage, administrative support, sign-posting, advice and information to the voluntary sector in Shetland.</p> <p>2. To provide an effective management, financial and administrative service to the Board, staff, volunteers and service users at Disability Shetland.</p>	<p><u>Connected voluntary sector</u> - Work to ensure representation at a strategic level and works in partnership with other intermediary organisations such as CAB. Monitor and evaluate the action plan for the Shetland Compact.</p> <p><u>Thriving voluntary sector</u> -Provide support services to the voluntary sector including business planning, funding, legal frameworks, management, monitoring and evaluation and development of social enterprise.</p> <p><u>Supporting voluntary action</u> – Continued input to planning and delivery of project strands to enhance services of VAS and the other partners locally and nationally.</p> <p><u>Quality matters</u> – Support groups with returns to OSCR and ensure good working practices. Monitor and assist with charities default register.</p> <p><u>Collaboration and connectivity</u> – Support the development of shared resources within the network where appropriate.</p> <p><u>Managing intelligence</u> – Holds up to date information on the profile of the voluntary sector locally and is familiar with the main issues and concerns of the sector.</p>

Community Care (cont.)

Organisation / Project	Purpose	Key Targets 2010-11
Market House & VAS (contd)		<u>Improving the volunteer experience</u> – Continue to support and place volunteers. Continue the MV Awards project with Volunteer Centre Shetland.
Social Assistance Grants	Small grants given to reduce hardship or to improve living conditions, where individuals have been assessed as being in need of material or financial assistance.	None. This is an established scheme.
Shetland Link Up	Providing support to people who are affected by mental health problems	Attendance at Mixed Group (1,000) Total client contacts (1,500) Average number of clients actively receiving a service at any one time (22) Number of volunteers (2) Total volunteer hours (200) Satisfaction Outcome (75%) General Client Information
Couple Counselling Shetland	Providing a counselling service to resolve or reduce relationship problems	Recruit two counsellors to be trained and accredited by Relate Scotland (2 year programme) General client information and Case Studies

Community Care (cont.)

Organisation/ Project	Purpose	Key Targets 2010-11
Bus Services: Elderly and Disabled (sponsored through infrastructure but for Community Care service users)	Providing daily transport to/from Community Care establishments for elderly and disabled clients for trips to lunch clubs, leisure activities, post offices, shops or other outings as required. This is available to clients attending Freefield Centre, Eric Gray Resource Centre, King Eric House, Stepping Stones Club and Disability Shetland.	This is an established scheme.
Senior Citizens Clubs	Grants to senior citizens clubs, usually to help with transport costs, to enable their members to participate in social events, entertainment and club outings.	This is an established scheme.
Local Charitable Organisations	To provide grants to local charitable groups, where their activities or services are of a social or welfare nature, and provided predominantly by volunteers. Groups supported include: Age Concern, Dunrossness Interchurch Fellowship and Samaritans	This is an established scheme.
Disability Shetland Recreation Club and Social Activities	<p>1. To support the running costs of the Recreation Club, including hiring venues, transport, volunteer expenses and training.</p> <p>2. To contribute to the costs of delivering the Social Activities project at Montfield.</p>	<p>Sport Sessions (14)</p> <p>Swimming Sessions (10)</p> <p>Swimming Sessions (Unst, 60)</p> <p>Swimming Gala (Annually)</p> <p>Yoga sessions (10)</p> <p>Bowls Competition (Annually)</p> <p>Wootton Lass Trips (20)</p>

Disability Shet. cont...		<p>New trained volunteers (15) All Stars Football Club (15) Social Activities at Montfield (50)</p> <p>Satisfaction outcome (100%)</p> <p>Client Information</p> <p>Case Studies</p>
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Children's Services

Organisation / Project	Purpose	Key Targets 2010-11
Shetland Befriending Scheme	Offering young people the opportunity to form a trusting relationship with an adult to promote his/her personal development	<p>To continue to provide a service Shetland wide.</p> <p>To continue to support, monitor and review matches to ensure the befriending is benefiting the young person</p> <p>To promote the service and recruit new volunteers.</p> <p>Recruit up to 12 new volunteers</p> <p>Deliver two group 8-week training sessions for new volunteers</p> <p>To have up to 12 newly trained volunteers ready to be matched</p> <p>To offer 3 sessions of peer support to working volunteers</p> <p>To offer a minimum of 6 group activity days for volunteers and their young person to participate in</p> <p>To offer credited training to volunteers as and when the opportunity arise</p> <p>General Client Information and Case Studies</p>

Children's Services (cont.)

Organisation / Project	Purpose	Key Targets 2010-11
Shetland Youth Information Service	To motivate, challenge and enhance the lives of young people in Shetland by providing support and information services, which are developed and delivered in partnership with young people.	Contacts with young people – 3,500 One to one work with young people – 200 Regular outreach sessions – 100 Outreach contacts – 600 Outreach one to one – 40 Provide monthly report of issues raised Website contacts – 3,000 General Client information and Case Studies

Community Development

Organisation / Project	Purpose	Key Targets 2010-11
Shetland Arts	Encourage, support, inspire, promote, develop and deliver activities in the fields of: dance; drama; theatre; film; literature; music; crafts; and visual arts with a view to the advancement of arts and culture and improving the quality of life for the inhabitants of the Shetland Isles.	<u>Nos.Performances/ Attendees</u> Dance - 5/ 400 Drama – 13/ 850 Music – 33/ 3,200 Literature – 25/ 1,200 Other – 200/ 19,500 <u>Own Venue</u> Perform. (ex.Film) - 60/11,000 Visual Arts/ Crafts – 40/ 50,000 Educ & Outreach – 75/ 2,185 <u>Other Venues</u> Perform. (ex.Film) – 65/ 3,580 Visual Arts/ Crafts – 60/ 50,900 Educ & Outreach – 612 events/ 9,545 participants Support for artists/ artistic development/

		prof.training – 104 events/ 830 participants
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Community Development (cont.)

Organisation Project	Purpose	Key targets 2010-11
Shetland Arts cont...	PLANNED PROGRAMME OF ACTIVITIES - 2010/11	
	Crafts Development	Start work on a further development strategy for craft in Shetland, including the under 18s. Provide professional development for craft makers including the "Wirkin Up" grants scheme and professional mentoring. Further develop networking at all levels of skill and ability. Undertake exhibition as a result of the Portage research, on extremes of scale in craft. Take part in research project using 3D design software for craft beginners and existing practitioners.
	Drama Development	Implement development plan from "State of Play". Enable and empower others to lead drama activities in the community. Develop "Slow for Stuart" project and partnership work with other organisations. Continued development of Shetland Youth Theatre and YUF.
	Dance Development	Work with local and national partners to facilitate access to dance activity and performance across various dance forms. Continue to support and develop dance mentees as part of capacity building. Continue development of traditional dance.
	Film Development	To work with key partners in order to promote and develop the use of Shetland Arts digital film and media equipment as a key community resource, and to develop a broadened skills base in both film making and digital media in preparation for Mareel. To promote Shetland as a suitable venue for film making and digital media

		production.
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Community Development (cont.)

Organisation Project	Purpose	Key targets 2010-11
Shetland Arts cont...	Music Development	Concentrate on individual and organisational development with regard to education, industry skills and professional training, in the lead up to the opening of Mareel. Continue development of strategic music partnership.
	Literature Development	Complete development action plan and begin implementation. Broaden the scope and accessibility literature activities in Shetland, both in geographic and cultural/ social terms. Continue to develop web potential for writers.
	Visual Arts Development	Establish core arts projects within the community alongside partners based on previous pilot projects; oversee "Power of Place", Shetland's first Festival of Architecture; support and develop visual artists via commissions, CPD, peer review development and grant aid.
	Film Exhibition	Development of evening classes and workshops in film and media studies, in partnership with UHI Shetland College and Adult Learning. Develop outreach services in partnership with Shetland Film Club. Increase film 'literacy' by developing relationships between Shetland audiences and external cinema experts/commentators. Develop relationships with key regional and national cinemas and arts centres such as Dundee Contemporary Arts and Eden Court.
	Garrison Theatre	In partnership with stakeholders deliver an inclusive year round programme.

		Complete and begin implementing development plan. Continue prioritising audience development initiatives.
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Community Development (cont.)

Organisation Project	Purpose	Key targets 2010-11
Shetland Arts cont...	Exhibitions by local, national and international artists and makers at Bonhoga Mareel Development	Continue to break boundaries between art and craft by presenting a specially curated international exhibition arising out of the Portage research. Use the Shetland Hamefarin as a theme to present a thought provoking programme of exhibitions featuring Shetland and related links. Oversee construction of Mareel and implement Mareel Operations Plan in preparation for the opening in Spring 2011.
Shetland Recreational Trust	To provide wide range of leisure and sport activities and facilities at 8 locations throughout Shetland. The facilities are professionally operated, well maintained to a high standard with appropriate opening hours. The facilities are seen as places for whole communities to meet, socialise and play. They are a major attraction for local residents and an important factor in attracting tourists.	Shetland Recreational Trust is still in discussion with Shetland Islands Council to agree the level of service which can be provided for the funding available.
The Swan	To make the Swan available for viewing, restored in good working order and registered as an approved sail-training vessel.	Usage: Shetland schools (12) Orkney schools (10) Special Needs (3) Youth Groups (3)

Organisation Project	Purpose To encourage young people to sail on the Swan, to appreciate Shetland's sailing and fishing history and experience our wildlife and culture.	Analysis: School children (350) Youths under 25 (75) Adults (300) % users satisfied with service 80% % users who would return 80% Report demonstrating activity of Swan Key targets 2010-11
Development Grant Aid Scheme	An open grant scheme designed to support local voluntary organisations and community groups to develop and deliver projects and/or activities that meet the community needs and make a lasting difference in the community, which often levers in external funding.	This is an established scheme.
Support Grant Aid Scheme	An open grant aid budget designed to assist community groups and voluntary organisations that cater exclusively or primarily for under 18's or junior sections of adult groups with their operating and programme costs.	This is an established scheme.
Arts Grant Aid Scheme	To assist community groups and individuals with financial assistance towards a wide range of art genres (such as music, dance, drama, arts, literature and crafts).	This is an established scheme.
The New Shetlander	To provide a contribution towards the printing, distribution and administration costs of producing the New Shetlander, net of sales	Production – 4 issues Total number of magazines sold – 1,300 per annum Total number of subscriptions 120 per annum

	and subscriptions.	<p>Organise promotional event for Shetland dialect</p> <p>Profile of regular and occasional contributors (e.g. young people, schools, community groups, etc.)</p> <p>Satisfaction survey – annual summary of feedback</p>
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Community Development (Cont.)

Organisation Project	Purpose	Key targets 2010-11
Folk Festival	To assist with the costs of providing artists to perform at the 30 th Shetland Folk Festival and to help cover the costs of providing transport and venues.	<p>Festival Club – one “open to all” concert, four workshops including Shetland Dancing, one Youth Event featuring young musicians from throughout Shetland</p> <p>Concerts – approximately 21 concerts are held throughout Shetland with 5,600+ in attendance</p> <p>Outreach Concert – one in Unst, Fetlar, Out Skerries or Fair Isle, with 150 in attendance</p> <p>Special Needs Concert – held annually in Bells Brae school, with 100 in attendance</p> <p>Playgroup Concert – one held annually each year in Clickimin Centre, with up to 300 in attendance</p> <p>School Visit – at least one visit to a primary school for exchange of music and culture</p> <p>SFFS will provide information on total number of tickets (per venue) and memberships sold</p> <p>SFFS will provide information on how many tickets/memberships are purchased from visitors to Shetland</p> <p>SFFS will carry out a customer satisfaction survey and report results to SCT. Content to be agreed with Service Co-ordinator</p>

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Community Development (Cont.)

Organisation Project	Purpose	Key targets 2010-11
Shetland Accordion and Fiddle Club	<p>To provide opportunities for the performance of accordion and fiddle music at a festival. To provide the opportunity for visiting musicians to meet and play with local musicians thereby imparting knowledge and styles to each other. To provide an opportunity for young Shetland musicians to broaden their horizons and perform to large audiences. The Trust's contribution is to assist with travel expenses for visiting musicians.</p>	<p>Maintain and build on the high standard of previous years</p> <p>Encourage as wide a range of traditional music as possible by bringing musicians from Scandinavia, Scotland, England & Ireland</p> <p>Maintain Festival Club Membership – 600 members</p> <p>Maintain audience numbers at the various venues – 2,900</p> <p>Maintain the number of club members from outwith Shetland thus boosting off season tourism – 250</p> <p>Ensure that the festival involves all areas of Shetland</p> <p>Maintain/ increase revenue generated from ticket sales, raffles & memberships - £35k</p> <p>Satisfaction survey Survey carried out during festival. 100% satisfaction</p>

Housing

Organisation / Project	Purpose	Key Targets 2010-11
Sheltered Housing Heating	<p>To give sheltered housing tenants peace of mind over their fuel costs by setting an affordable weekly charge to assist with budgeting.</p>	<p>None. This is an established scheme.</p>

Planning

Organisation / Project	Purpose	Key Targets 2010-11
<p>Shetland Amenity Trust</p>	<p>To provide core funding to support the organisational and staffing costs, to support the diverse range of services and enable the Trust to lever in additional funding.</p> <p>Shetland Amenity Trust will continue to deliver an effective, holistic service which embraces all aspects of Shetland's cultural and natural heritage. The service supports, encourages and facilitates the sound management and sustainable development of Shetland's natural and cultural resources and facilitate access, both intellectual and physical, thereto for all.</p>	<p><u>Finance, Administration and Management</u></p> <p>Support the complex and diverse range of projects/services offered by Trust.</p> <p>Ensure Finance Function continues to support the business needs of the organisation.</p> <p>Implement a new staff appraisal system.</p> <p>Continue to review the structure and function of administration within the Trust to ensure that it effectively supports the Senior Management Team, Trustees and the wider organisation.</p> <p><u>Natural Heritage</u></p> <p>Complete re-branding of interpretive leaflets.</p> <p>Launch updated and re-branded Shetland Heritage & Culture website.</p> <p>Complete development of Trail Leaflets.</p> <p>Continue to develop and publish works under the Trust's Heritage Publication banner.</p> <p>Consider and develop innovative interpretive initiatives.</p> <p>Review the Shetland Interpretive Plan.</p> <p>Maintain the present functions of the SBRC.</p> <p>Continue to meet the targets as set for the Ranger Service.</p> <p>Continue to progress the Sumburgh Head project.</p> <p>Oversee the implementation of geological interpretation as part of</p>

<p>Shetland Amenity Trust cont...</p>		<p>the development of Geopark Shet.</p> <p>Ensure that all species of endemic and threatened hawkweeds are in cultivation (working with Woodlands Team).</p> <p><u>Archaeology</u></p> <p>Develop Old Scatness Broch as a high quality visitor centre with use of innovative architecture to protect and showcase the site.</p> <p>Enhance and develop the way we use the SMR database to respond to land management issues and other enquiries and to develop the marine aspect of the SMR, maintain and develop the SMR database.</p> <p>Have elements of the</p> <p>SMR available to all on-line within the next three years.</p> <p>Continue to work closely with SIC and development control issues.</p> <p>Secure funding for the continuation of the Old Scatness project and to plan for the final stages.</p> <p>Complete Phase 1 of the Viking Unst project and develop Phase 2.</p> <p>Take forward the "Archaeology Alive" programme and continue to develop the Shetland's Past project.</p> <p>Complete and publish the Pictish and Viking volume of Old Scatness and advance other publications.</p> <p><u>Place Names</u></p> <p>Work with the Place Names Project Officer on an area of Unst as a pilot project.</p> <p>Maintain and develop the Shetland Place Names database and GIS links.</p> <p>Record Unst place names as part of the Viking Unst Project.</p> <p>Develop the Fishing Meids database and publication.</p>
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Shetland
Amenity Trust
cont...

Establish relationship with the Ordnance Survey to explore how amended place names and other site information can be supplied to update their records.

Develop links with educational establishments and prepare resources in partnership with other Trust staff.

Produce Place Names leaflet to form part of the suite of Interpretive leaflets.

Provide accurate visitor information on location, pronunciation and meaning of place names for use in publications and by tour guides and rangers.

Promote the project at local events, also nationally and internationally whenever possible.

Coordinate the Trust's participation in the European funded THING project.

Environmental Improvements

Continue and expand core activities such as community recycling of food and drink cans, inkjet cartridges, agricultural plastic, community repaint scheme and the salvage of architectural building materials for public renovation projects.

Undertake waste minimisation and education visits to schools, youth groups and public events.

Further develop glass recycling and, in particular, the recycled end products such as shotblast abrasive, recycled glass pavers and other high quality recycled products.

Undertake Da Voar Redd Up activities, adopt-a-beach schemes and community involvement litter prevention initiatives.

Continue the valued services of Muck and Bruck operations

<p>Shetland Amenity Trust cont...</p>	<p>throughout all parts of Shetland.</p> <p>Identify, close, clear and landscape historic illegal dumps throughout Shetland.</p> <p>Ensure that the Trust remains at Gold Level in the Green Business Award Scheme, is a contender in national award/recognition schemes in relation to the above projects and remains an Example of Best Practice for Community Environmental Action by The Scottish Executive.</p> <p>Assist the Shetland Museum and Archive Service to obtain Gold Level in the Green Business Award Scheme.</p> <p>Undertake a programme of installing renewable energy sources into Trust properties where appropriate to do so.</p> <p>Secure funding to resurrect the Agricultural Baling Plastic recycling scheme.</p> <p><u>Woodlands</u></p> <p>Continue to support and promote local tree planting initiatives.</p> <p>Initiate propagation programme at the new Horticultural Unit at Staney Hill, Lerwick.</p> <p>Maintain an effective advisory service and demonstrative role in Shetland's woodland development.</p> <p>Play an active role in the development of the Open Space Strategy for Shetland.</p> <p>Continue to seek a suitable Arboretum site and explore funding opportunities.</p> <p>Undertake landscaping works at Trust properties, where appropriate.</p> <p>Co-operate with Forestry Commission and other bodies in relation to forestry grants, woodland development, etc.</p>
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Planning (Cont)

Organisation / Project	Purpose	Key Targets 2010-11
<p>Shetland Churches Council Trust</p>	<p>Appropriate management of trust affairs.</p> <p>Maintenance and enhancement of church buildings.</p> <p>To facilitate the provision of access to church buildings and to the activities taking place therein, for those who have disabilities or other physical impairments.</p> <p>To provide the opportunity for people in Shetland to gain a knowledge and understanding of Scripture.</p> <p>To facilitate congregations of differing denominations to come together and provide an opportunity for all people in Shetland to join with the whole church in worship.</p> <p>To encourage members of congregations to be trained to carry out their functions despite the high cost of travel to mainland training.</p>	<p>To hold regular meetings of Trustees, around 6 per year, to consider Grant applications and to receive reports from Trust representatives on various groups that the trust is involved in.</p> <p>To continue to assist Christian congregations with the upkeep and repair of their buildings, particularly where they have a wider architectural or community benefit, in order to ensure that these buildings continue to provide satisfactory places of worship.</p> <p>To ensure, where practical, that entrances are not a barrier to wheel-chair bound users and that other impairments, such as deafness, are mitigated by provision of "Loop" systems.</p> <p>Support the organisation of a week of teaching on the Bible.</p> <p>To work together to co-ordinate and facilitate services and events for the Hamefairin, Tall Ships Race and the opening of Mareel.</p> <p>Provide travel grants to defray some of the costs of travel from Shetland, so as to "level the playing field" as compared to similar people in mainland</p>

	To provide Christian representation on secular organisations and to be "salt" in the community	churches. Sit on committees and bodies dealing with issues such as drugs and alcohol, Emergency Forum, etc
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SCT Direct Schemes

Organisation / Project	Purpose	Key Targets 2010-11
Employment of Disabled	To subsidise the cost of employing certain named individuals with special needs in work placements. This is part of the Department of Work and Pensions Workstep scheme to support people with disabilities to hold down mainstream jobs	This is an established transitional arrangement for named individuals and, in the long term, is to be phased out.
Springfield Chalet	Direct costs of running Springfield, which is used as a holiday retreat by disabled persons and their carers	Wider advertising of facility is planned.

REPORT

To: Shetland Charitable Trust

11 February 2010

From: General Manager

Report: CT1002003

Progress Report – Funded Bodies Review Group

1. Introduction

1.1 This report presents the progress of the Funded Bodies Review Group. This short life-working group was established to report on the expenditure of the Trust.

2. Background


2.1 Trustees decided to set up a Funded Bodies Review Group (“the Group”) on 2 July 2008. This is a joint Trust/Shetland Islands Council (SIC) group, which includes Trustees, SIC members and officers from both the Trust and SIC. The Group was tasked to review aspects of Trust expenditure with a view to identifying possible savings. The remit of the group was agreed at the Trustee meeting on 13 March 2009 (Min Ref CT/20/09). The group’s work was divided into two phases, firstly to review all activities and services where the Trust funding is over £500,000, and then to look at the remainder.

3. Present Position

3.1 The list of the activities/services over £500,000, and their funding for 2009/10, is shown in Table One below, together with the expected savings.

Table One

Activity/service	09/10 budget	2010/11 saving
	£	£
Shetland Recreational Trust	3,590,924	300,000
Shetland Amenity Trust	1,462,214	130,000
Shetland Arts Development Agency	851,626	70,000
Christmas Grant Scheme	1,147,500	569,500
Equalisation of Charges	3,291,189	800,000
Trust Administration	605,041	60,577
Total		1,930,077

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- 3.4 In respect of the second phase of the review, the smaller groups funded by the trust have also been asked to identify savings within their own services. On this basis, these organisations have been asked to present a standstill budget, and to let us know if this will require any reduction in their service.

4. Financial Implications

- 4.1 Savings of almost £2 million per annum will go some way towards bringing the trust back to financial stability, and to reach the target of self-sustainability of funds. Other savings which bring the total to over £2 million are detailed in the Budget Report, which will have been considered at this meeting.

5. Recommendations

- 5.1 Trustees are recommended
- 5.1.1 to note the savings identified by the group, and to delegate responsibility to officers to complete the funding review process as part of the current budget process; and
 - 5.1.2 to agree that the work of the group is complete, and that the group should be wound up.

Reference: EMA/TA38
Date: 2 February 2010

Report Number CT1002003-f

REPORT

To: Shetland Charitable Trust

11 February 2010

From: General Manager

Report: CT1002001

Venue for Trust Meetings

1. Introduction

1.1 The purpose of this report is to seek a decision on the venue for future Trustee meetings.

2. Background

2.1 Until July 2009, Trustee meetings were held in the Council Chamber. This had the advantage that it was familiar to most trustees and was well suited for the purpose. However it could be perceived that the two bodies, Shetland Islands Council and Shetland Charitable Trust were one and the same, so a decision was taken to find another venue for the Trust meetings.

2.2 Recently most meetings have been held in the multi-use studio at Clickimin. Some Trustees have expressed dissatisfaction with this venue, particularly with the acoustics, which can make it difficult to follow the discussions. Officers were asked to research other venues, with reference to cost and suitability.

3. Present Position

3.1 Costings have been received for a number of venues, and these are listed below. The comparison is for a three hour meeting, with tea/coffee.

Venue	Microphones	Projector/ screen	Cost £
Council Chamber	Included	Included	77.25
Islesburgh (Room 16)	Included	Included	94.00
Shetland Hotel	No	£50 extra	135.00
Museum	Would get	Included	130.00

4

3.2 Trustees are asked to note that neither the Council Chamber nor Room 16 of Islesburgh is available for the meeting on 24 June, so a provisional booking has been made for Clickimin. The other dates have been provisionally booked for both the Council Chamber and Islesburgh in advance of this decision by Trustees.

4. Financial Implications

4.1 It is clearly demonstrated from the above table that both the Council Chamber and Islesburgh are competitively priced.

5. Recommendation

5.1 Trustees are asked to decide where they wish to hold their meetings in future, taking account of cost and other factors such as public perception.

Reference: EMA/TA1

Report Number CT1002001-f

REPORT

To: Shetland Charitable Trust

11 February 2010

From: General Manager

Report: CT1002006

Application of Freedom of Information Act to Charities in Shetland

1. Introduction

1.1 This report is prepared in response to a suggestion from a trustee at the Trustee Meeting on 10 December 2009 (Min Ref CT/80/09), that a grant condition be included to require grantees to abide by FOISA requirements. The topic was previously discussed at the Trust meeting on 17 September 2009, when Trustees agreed not to require its funded bodies to comply such requests (Min Ref CT/61/09).

2. Background

- 2.1 The Freedom of Information (Scotland) Act 2002 ("the Act") became law on 28 May 2002. It lays down in law the way public bodies have to comply with certain requests for information.
- 2.2 The Act presently applies to a defined list of public bodies, which includes all local authorities, and many national organisations such as the Scottish Arts Council. It does not presently apply to charities such as Shetland Charitable Trust or any of its funded bodies. Section 5 of the Act gives Scottish Ministers the power to designate, by order, as a Scottish public authority for the purposes of FOISA, a person or organisation who appears to Ministers to be exercising functions of a public nature, or are providing, under a contract made with a Scottish Public Authority, any service whose function is that of a Local Authority¹.
- 2.3 The Scottish Government has announced its intention to formally consult on extending the Act to cover (inter alia) Local Authority leisure and recreation trusts and private prisons.

3. Present Position

- 3.1 It is very important that Shetland Charitable Trust (SCT) is as open and accountable as possible, whilst protecting the privacy of

¹ Bulletin from Scottish Information Commissioner dated 8 December 2009

individuals who require assistance, and respecting the commercial confidentiality of businesses where appropriate.

- 3.2 SCT also respects the independence of the organisations which it funds, although it does request financial and service information from them, to ensure that the organisation is carrying out the activities for which it was funded. We do not seek to influence how the organisations are constituted, although we are concerned to encourage them to operate openly within the legal framework, as we do.
- 3.3 The requirements of the Act are very onerous. Anyone - from anywhere in the world - has a right to see any kind of recorded information from a Scottish public authority, however old the information is. You do not have to say why you want the information or what you want it for and the authority is obliged to respond to all information requests they receive within 20 working days of receipt.
- 3.4 Furthermore, there would be considerable practical difficulties with enforcing a condition requiring funded bodies to comply with FOISA requests.

4. Financial Implications

- 4.1 There are no financial implications arising directly from this report. However, as explained in paragraph 3.3, the resources which could be required for a request for information under the Act could be very onerous.

5. Recommendation

- 5.1 Trustees are asked to agree not to require its funded bodies to comply with requests for information in terms with the Freedom of Information (Scotland) Act 2002, whilst encouraging them to be as open and accountable as possible.

Reference: EMA/TA1

Report Number CT1002006-f

REPORT

To: Shetland Charitable Trust

11 February 2010

From: Financial Controller

Report No: CT1002007

MANAGEMENT ACCOUNTS – NINE MONTHS ENDED 31 DECEMBER 2009

1 Introduction and Key Decisions

- 1.1 This report presents the Trust's Management Accounts to the end of December 2009, for noting. These Management Accounts deal with revenue budgets and expenditure.

2 Management Accounts

- 2.1 Table 1 below shows the Summary Budget for the Charitable Trust for 2009/10, and the expenditure in the nine months to 31 December 2009.

Table 1: Summary Management Accounts 2009/10

Item	Current Budget £m	Spend to Dec 09 £m
Charitable Expenditure		
Programmes and Organisations	10.4	8.3
Maintenance/Capital Programme	2.0	1.2
Operating Costs	0.6	0.4
Total	13.0	9.9

- 2.2 A more detailed analysis of the expenditure programmes is set out in Appendix 1.
- 2.3 The total budget for Programmes and Organisations is £10.4 million, of which £8.3 million has been spent to date. Where the running costs of projects are greater than £20,000, grant assistance is paid out in 2 stages - the first payment is made in April and the second is subject to a review of the organisation's accounts from the previous year.
- 2.4 The Maintenance Funding Programme includes £1.2 million, which is paid to the major Trusts in two instalments with 50% of the budget

being paid at the beginning of the year on submission of their maintenance programme for the year. The second instalment will be paid on receipt of a satisfactory statement of the first six months' expenditure.

- 2.5 Table 2 below sets out the revisions/enhancements to the original budget for 2009/10 to give the current budget.

Table 2: Budget Enhancements

Original Budget	Presented 19 February 2009	12,359,817
Enhancements	Approved 28 May 2009	
	Independence at Home Scheme	10,000
	Social Assistance Grant Scheme	7,987
	Cost of Change (Trusts)	24,756
	Fire Upgrades (Care Homes)	593,600
Revised budget	as at 31 December 2009	<u>12,996,160</u>

3 Financial Implications

- 3.1 No direct financial implications flow from this information report.

4 Recommendations

- 4.1 I recommend that Trustees note the satisfactory financial performance to December 2009, as shown in the Management Accounts in Appendix 1.

Financial Controller
Shetland Charitable Trust
Our Ref:LF/DA5

Report No: CT1002007
Date: 26 January 2010

Shetland Charitable Trust Management Accounts
Charitable Expenditure : Period to 31 December 2009 **Appendix 1**

	Current budget £	Actual spend to 31 Dec £	year to date variance £
<u>Charitable Organisations</u>			
Shetland Amenity Trust	1,080,228	810,171	270,057
Shetland Arts Development Agency	773,376	773,376	0
Shetland Field Studies Service	37,206	0	37,206
Shetland Recreational Trust	2,781,550	2,781,550	0
Shetland Youth Information Service	188,840	94,420	94,420
COPE Limited	154,967	116,226	38,741
Citizens Advice Bureau	147,850	147,850	0
Voluntary Services Resource Centre	144,412	144,412	0
Shetland Churches Council Trust	54,115	54,115	0
SCSS - Childrens Befriending Scheme	55,935	55,935	0
SCSS - New Shetlander	370	370	0
Disability Shetland Recreation Club	12,641	12,641	0
Womens Royal Voluntary Service	51,498	51,498	0
The Swan Trust	48,900	48,900	0
Shetland Link Up	47,994	47,994	0
Shetland Link Up - Art Therapy	26,212	26,212	0
Relate Shetland	12,000	12,000	0
Cost of change (Trusts)	24,756 *	25,059	-303
Sub Total Charitable Organisations	5,642,850	5,202,729	440,121
<u>Projects</u>			
Independence at Home Scheme	10,000 *	92	9,908
Xmas grant Scheme	1,147,500	497,088	650,412
Equalisation of Charges	3,291,189	2,384,879	906,310
Community Development Grants	22,272	12,215	10,057
Community Support Grants	64,321	45,989	18,332
Festival Grants	30,000	30,000	0
Arts Grant Scheme	35,000	24,277	10,723
Social Assistance Grants	42,987 *	13,471	29,516
Senior Citizens Clubs	23,000	18,439	4,561
Buses for Elderly and Disabled	49,980	32,000	17,980
Local Charitable Organisations	14,000	12,572	1,428
Sheltered Housing Heating	26,010	0	26,010
Employment of Disabled	8,000	229	7,771
Springfield Running costs	1,500	-537	2,037
Sub Total Projects	4,765,759	3,070,714	1,695,045

Shetland Charitable Trust Management Accounts
Charitable Expenditure : Period to 31 December 2009 **Appendix 1**

	Current budget £	Actual spend to 31 Dec £	year to date variance £
<u>Property Advice & Maintenance</u>			
Shetland Amenity Trust	381,986	190,993	190,993
Shetland Arts (including Weisdale Mill)	78,250	35,708	42,542
Shetland Recreational Trust	809,374	809,374	0
Market House	38,000	3,585	34,415
Swan Trust	21,100	21,100	0
Rural Care Homes Fire Safety	593,600 *	172,319	421,281
Springfield Chalet	2,700	180	2,520
Property Advice	48,500	48,500	0
Total Property Advice & Maintenance	1,973,510	1,281,759	691,751
Refunded Surplus Running Cost Grants	0	-47,419	47,419
IAHS Refunds	0	-2,547	2,547
OVERALL TOTAL	12,382,119	9,505,236	2,876,883
Management & Admin	605,041	391,313	213,728
Maintenance 22-24 North Road	9,000	0	9,000
Total	12,996,160	9,896,549	3,099,611

* These budgets have been modified by subsequent decisions of the Trust

Shetland Charitable Trust Management Accounts **Appendix 1**
Management and Administration : Period to 31 December 2009

	Current budget £	Actual spend to 31 Dec £	year to date variance £
Staffing Costs			
Basic Pay and Allowances	370,713	254,780	115,933
Professional Membership Fees	2,000	917	1,083
Travel and Mileage	4,000	3,692	308
Training and Staff Development	7,000	5,709	1,291
Sub Total Staffing Costs	383,713	265,098	118,615
Operating Costs			
Insurance	10,000	9,420	580
Administration	8,000	2,435	5,565
Supplies and Services	7,000	3,195	3,805
Bank Charges	1,500	857	643
Professional Fees: Other	10,000	11,824	-1,824
Miscellaneous Items	1,000	2,402	-1,402
External Audit Fees	14,000	16,675	-2,675
Trustees Allowances	8,500	3,606	4,894
Trustees Expenses	2,500	3,891	-1,391
Legal Fees	48,610	26,226	22,384
Sub Total Operating Costs	111,110	80,533	30,577
Property Costs			
Energy Costs	5,000	2,430	2,570
Cleaning	7,000	5,147	1,853
Sub Total Property Costs	12,000	7,577	4,423
Bought In Services			
Finance	44,940	20,970	23,970
Internal Audit	1,850	0	1,850
Personnel Advice	2,406	0	2,406
Committee Services	11,563	11,500	63
Computer Services	35,347	4,600	30,747
Insurance Admin	2,112	1,035	1,077
Sub Total Bought In Services	98,218	38,105	60,113
Grand Total	605,041	391,313	213,728

REPORT

To: Shetland Charitable Trust

11 February 2010

From: General Manager

Report No. CT1002008

RECOMMENDED DISBURSEMENTS – APPROVALS

1. Background

- 1.1 On 30 March 2000, Trustees approved a report which authorised the then Director of Education and Community Services to act on behalf of the Trust and approve applications for community development and community support grants to organisations operating within Shetland. (Min. Ref. CT/19/00)
- 1.2 On 8 February 2006, Trustees approved a report which authorised the then Head of Service – Community Development to act on behalf of the Trust and approve applications for community arts grants to organisations and individuals operating within Shetland. (Min. Ref. CT/02/06)
- 1.3 It is a requirement that all approvals are reported to subsequent Trust Meetings.

2. Community Support Grants - £12,542

- 2.1 The following community support grants were approved by the Head of Service, Community Development in the period from 14 November 2009 to 29 January 2010: -

Name of Organisation	Grant Approved (£)
Ollaberry Youth Club	627
Sandwick Youth and Community Centre	1,422
Livister Youth Centre	9,846
Tingwall Under Fives	647

3. Community Arts Grants - £1,420

3.1 The following community arts grants were approved by the Head of Service, Community Development in the period from 14 November 2009 to 29 January 2010: -

Name of Organisation	Grant Approved (£)
Ms Lise Sinclair	180
Ms Joy Duncan	126
Ms Joy Duncan	557
Ms Yvette Leask	557

5. Recommendation

5.1 Trustees are asked to note the approvals listed in paragraphs 2.1 and 3.1.

Shetland Charitable Trust
Date: 29 January 2010
Our Ref: AJ/DA1

Report Number CT1002008

REPORT

To Shetland Charitable Trust

11 January 2010

From: General Manager

Report No. CT1002009

RECOMMENDED DISBURSEMENTS – SOCIAL CARE**1. Background**

- 1.1 This report concerns approvals by the Council's Head of Community Care in the period to 22 January 2010, in terms of Report Number CT/030/94, which was approved by the Trustees on 8 April 1994.

2. Social Assistance Grant Scheme - £1,427.14

- 2.1 The Head of Community Care approved the following:-

	(£)
5 Social Assistance Grants	1,427.14

- 2.2 The grants would be allocated from the Social Assistance Grant Scheme budget head.

3. Recommendations

- 3.1 Trustees are asked to note the following approval by the Head of Community Care: -

a) the Social Assistance Grants referred to in paragraph 2.1, totalling	£1,427.14
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Shetland Charitable Trust
Date: 1 February 2010

Ref: AJ/DS1

Report No: CT1002009



REPORT

To: Shetland Charitable Trust

11 February 2010

From: Financial Controller

Report: CT1002011

FUND MANAGER TRANSACTIONS

1. Introduction

1.1 Shetland Islands Council provides Treasury support to Shetland Charitable Trust under the terms of a Service Level Agreement (SLA).

2. Investment Decisions

2.1 Appendix A) lists the investment decisions made by Insight Investment Management Limited during the period from 1 November 2009 to 30 November 2009.

2.2 Appendix B) lists the investment decisions made by BlackRock Investment Management (UK) Limited during the period from 1 November 2009 to 30 November 2009.

2.3 Appendix C lists the investment decision made by Schroder Investment Management Limited during the period from 1 November 2009 to 30 November 2009.

2.4 These appendices list purchases in order of transaction size and sales in order of the size of the gain or loss made on the transaction.

2.5 The Fund Managers make investment decisions based on the terms of Investment Management Agreements.

3. Movement on Charitable Trust Funds

3.1 The following table shows the movement on the Charitable Trust funds for the current financial year to date:

2009/10 to 20 Nov 2009

	£ million
Market Value at start	143.1
Market Movement	42.1
Injection/(Withdrawal)	(11.4)
Market Value at close	<u>173.7</u>

(These are unaudited figures and are for guidance only.)

4. Recommendation

4.1 The Trustees are asked to note this report.

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APPENDIX A)

INSIGHT INVESTMENT MGMT REPORT - PURCHASES

NAME OF SECURITY	AREA	DATE	NUMBER OF UNITS	PURCHASE PRICE (£)
UNITED KINGDOM				
ILF GBP LIQUIDITY FD	DEP	02/11/2009	1,060.13	1,060.18
TOTAL UNITED KINGDOM				<u>1,060.18</u>
OVERSEAS				
NO OVERSEAS INVESTMENTS PURCHASED				
TOTAL				<u>0.00</u>

INSIGHT INVESTMENT MGMT REPORT - SALES

NAME OF SECURITY	AREA	DATE	NUMBER OF UNITS	SELLING PRICE (£)	PROFIT/ (LOSS) (£)
UNITED KINGDOM					
HOSPITAL CO DARTFO 3.003%-IDX LKD 31/10/31 GBP	QF CIL GB	02/11/2009	991.55	1,191.66	177.53
ILF GBP LIQUIDITY FD	DEP	11/11/2009	40,000.00	40,000.00	0.00
ILF GBP LIQUIDITY FD	DEP	23/11/2009	100,000.00	100,000.00	0.00
BOS (SHARED APP) A/BKD FRN 7/2072 GBP(BR)	UF CB GB	30/11/2009	38,773.00	38,773.00	-17,854.14
TOTAL UNITED KINGDOM				<u>179,964.66</u>	<u>-17,676.61</u>
OVERSEAS					
NO OVERSEAS INVESTMENTS SOLD					
TOTAL OVERSEAS				<u>0.00</u>	<u>0.00</u>

INSIGHT INVESTMENT MGMT REPORT - PURCHASES

NAME OF SECURITY	AREA QF = quoted fixed UF = unquoted fixed	DATE	NUMBER OF UNITS	PURCHASE PRICE (£)
UNITED KINGDOM				
ILF GBP LIQUIDITY FD	DEP	02/11/2009	1,060.13	1,060.18
TOTAL UNITED KINGDOM				<u>1,060.18</u>
OVERSEAS				
NO OVERSEAS INVESTMENTS PURCHASED				
TOTAL				<u>0.00</u>

INSIGHT INVESTMENT MGMT REPORT - SALES

NAME OF SECURITY	AREA QF = quoted fixed UF = unquoted fixed	DATE	NUMBER OF UNITS	SELLING PRICE (£)	PROFIT/ (LOSS) (£)
UNITED KINGDOM					
HOSPITAL CO DARTFO 3.003%-IDX LKD 31/10/31 GBP	QF CIL GB	02/11/2009	991.55	1,191.66	177.53
ILF GBP LIQUIDITY FD	DEP	11/11/2009	40,000.00	40,000.00	0.00
ILF GBP LIQUIDITY FD	DEP	23/11/2009	100,000.00	100,000.00	0.00
BOS (SHARED APP) A/BKD FRN 7/2072 GBP(BR)	UF CB GB	30/11/2009	38,773.00	38,773.00	-17,854.14
TOTAL UNITED KINGDOM				<u>179,964.66</u>	<u>-17,676.61</u>
OVERSEAS					
NO OVERSEAS INVESTMENTS SOLD					
TOTAL OVERSEAS				<u>0.00</u>	<u>0.00</u>

BGI REPORT - PURCHASES

NAME OF SECURITY	AREA	DATE	NUMBER OF SHARES	PURCHASE PRICE (£)
	QE = quoted equity UE = unquoted equity			

UNITED KINGDOM

NO UK INVESTMENTS PURCHASED

TOTAL UNITED KINGDOM	<u>0.00</u>
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OVERSEAS

NO OVERSEAS INVESTMENTS PURCHASED

TOTAL OVERSEAS	<u>0.00</u>
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BGI REPORT - SALES

NAME OF SECURITY	AREA	DATE	NUMBER OF SHARES	SELLING PRICE (£)	PROFIT/ (LOSS) (£)
	QE = quoted equity UE = unquoted equity				

UNITED KINGDOM

BLACKROCK GBL INV CHARITRAK COMMON INVESTING	UE UT GB	06/11/2009	308,710.03	2,800,000.00	-104,362.60
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TOTAL UNITED KINGDOM				<u>2,800,000.00</u>	<u>-104,362.60</u>
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OVERSEAS

BLACKROCK AM (IE) IDX SELECTION EURO EX UK AC	UE UT IE	06/11/2009	17,130.15	200,000.00	44.92
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TOTAL				<u>200,000.00</u>	<u>44.92</u>
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SCHRODERS REPORT - PURCHASES

NAME OF SECURITY	AREA QE = quoted equity UE = unquoted equity	DATE	NUMBER OF SHARES	PURCHASE PRICE (£)
UNITED KINGDOM				
BLACKROCK UK FD	UP UT GB	30/11/2009	31,751.00	999,979.58
THREADNEEDLE INV STRATEGIC PROPRTY FUND IV T	UE UT GB	16/11/2009	800.00	805,055.18
TOTAL UNITED KINGDOM				<u>1,805,034.76</u>

OVERSEAS

NO OVERSEAS INVESTMENTS PURCHASED

TOTAL OVERSEAS	<u>0.00</u>
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SCHRODERS REPORT - SALES

NAME OF SECURITY	AREA QE = quoted equity UE = unquoted equity	DATE	NUMBER OF SHARES	SELLING PRICE (£)	PROFIT/ (LOSS) (£)
UNITED KINGDOM					
NO UK INVESTMENTS SOLD					
TOTAL UNITED KINGDOM				<u>0.00</u>	<u>0.00</u>
OVERSEAS					
NO OVERSEAS INVESTMENTS SOLD					
TOTAL OVERSEAS				<u>0.00</u>	<u>0.00</u>

