



**OPEN REPORT  
ERNEST BAILEY CHARITY COMMITTEE**

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**Ernest Bailey Charity Committee – 14<sup>th</sup> March 2024**

**DISTRIBUTION OF CHARITABLE FUNDS**

**Report of the Director of Community and Environmental Services**

**Report Author and Contact Details**

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**Wards Affected**

Matlock West, Matlock East and Tansley, Darley Dale, Cromford and Matlock Bath, Chatsworth, Bonsall and Winster

**Report Summary**

This report considers applications for grant aid.

**Recommendations**

1. That consideration is given to the applications for grant aid as set out in the attached schedules.
2. That grants be made conditional upon their being used for the purpose for which the application was made and in accordance with the objects of the Trust.

**List of Appendices**

Appendix 1 (a and b) - The Ernest Bailey Charity Schedule of Applications for Grant Aid 2023

**Background Papers**

None

**Consideration of report by Council or other committee**

Not applicable

**Council Approval Required**

No

**Exempt from Press or Public**

Report and Appendix 1a are open, Appendix 1b is exempt.

# **Distribution of Charitable Funds**

## **1. Background**

The terms of reference for the Ernest Bailey Charity Committee are to ensure that funds are applied for the general benefit of the inhabitants of Matlock and district in one or more of the following ways:

- For the relief of the aged and poor
- For the relief of distress and sickness
- To provide or support facilities for recreation and other leisure time activities
- To provide or support educational facilities, or
- In such other ways as the Trustee thinks fit.

The area of benefit is the former area of the Matlock Urban District Council i.e. Matlock, Matlock Bath, Bonsall, Cromford, Darley Dale, Northwood and Tinkersley, Rowsley (part), South Darley, Starkholmes, and Tansley.

## **2. Key Issues Funding of Applications**

### **2.1 Financial**

The usual practice is to consider current grant applications from within the current year's interest receipts, estimated at £7,812.52 for 2023/24. The November committee awarded grants totalling £5,810, which leaves £2002.52 unspent. There is an additional £2,124.45 that can be awarded and still retain the £167,192.50 investment. If the Committee wishes to do so, it could award grants totalling £2002.52 plus up to £2,124.45, i.e. a total of £4,126.97 and still retain an investment of £167,192.50.

### **2.2 Applications**

A total of 13 applications have been received which are summarised on the attached schedule in Appendix 1. Based on merit and the financial position of the applicants, there is £2002.52 left from the committee on 23rd November 2023. This can be increased up to £2,124.45 as stated above, to give a total of £4126.97.

### **2.3 Proof of Spend**

At the last Committee, members discussed the need for applicants to prove the funds awarded were for the purposes stated in the application form. Members agreed that applicants should pay up front, unless there are exceptional circumstance, where they are unable to afford this. This would be the case for the individuals who are applying because of hardship but some of the groups could have cash flow issues, with little or no reserves. It is proposed that we change this requirement, to providing evidence of the spend, such as invoices and receipts. After investigating what other grants schemes do, some ask for proof of spend or send out evaluation forms and rely on trust. It is very rare for grants to give retrospective funding.

### **3. Options Considered and Recommended Proposal**

- 3.1 The Committee may determine the grant for each application within the overall finance available, as set out in paragraph 2.1.

### **4. Consultation**

- 4.1 Not applicable

### **5. Timetable for Implementation**

- 5.1 Not applicable

### **6. Policy Implications**

- 6.1 Not applicable

### **7. Financial and Resource Implications**

- 7.1 The Charity has £167,192.50 invested with Derbyshire Dales District Council and for 2023/24 interest earned is expected to be £7,812.52, at an average rate of 4.67%.

- 7.2 The following interest rates have been applied to the estimate for 2023/24:-

4.19% from 1<sup>st</sup> April 2023 to 18<sup>th</sup> October 2023.

5.29% from 19<sup>th</sup> October 2023 to 31<sup>st</sup> March 2024.

- 7.3 The usual practice is to consider current grant applications from within the current year's interest receipts, estimated at £7,812.52 for 2023/24. The November committee awarded grants totalling £5,810, which leaves £2002.52 unspent. There is an additional £2,124.45 that can be awarded and still retain the £167,192.50 investment (comprising £150,000 capital receipt and £17,912.50 net proceeds from the sale of land at Pope Carr Road). Should the Committee decide to award grants totalling more than this level, the result would be a reduction in the amount available for distribution in the future. If the Committee wishes to do so, it could award grants totalling £2002.52 plus up to £2,124.45, i.e. a total of £4,126.97 and still retain an investment of £167,192.50.

- 7.4 The financial risk is assessed as low.

### **8. Legal Advice and Implications**

- 8.1 The District Council became the sole Trustee of the Ernest Bailey Charity following approval by the Charity Commissioners on 12<sup>th</sup> April 1985. This function was later delegated to the Ernest Bailey Charity Committee.

- 8.2 Trustees have a legal duty to protect the charities assets and apply them for the charity's charitable purposes.

- 8.3 This report set out 2 recommended decisions to be taken. If decisions are made in line with the recommendations the legal risk has been assessed as low.

## 9. Equalities Implications

9.1 None

## 10. Climate Change Implications

10.1 None

## 11. Risk Management

11.1 The Charity's funds are invested with the District Council. Risks of financial loss are mitigating by prioritising security and liquidity ahead of yield. The financial risks are assessed as low.

### Report Authorisation

Approvals obtained from:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	29/02/2024
Director of Resources/ S.151 Officer	Karen Henriksen	29/02/2024
Monitoring Officer (or Legal Services Manager)	Helen Mitchell	4/3/2024