

Committee: Standards Committee

Date: 26 February 2013

Agenda item: 7

Wards: All

Subject: The Mayor of Merton's Charitable Trust - update

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Mark Allison, Cabinet Member for Finance

Contact officer: Julia Regan, Head of Democracy Services, 0208 545 3864

Recommendations:

- A. That the Standards Committee note that the Mayor of Merton's Charitable Trust has now achieved charitable status from the Charity Commission and has been registered by HM Revenue and Customs as a charitable Trust for tax purposes.
 - B. That the Committee note that Council has appointed Councillors David Williams, John Bowcott and Gilli Lewis-Lavender as Trustees of the Trust and that they have confirmed their knowledge and acceptance of their legal responsibilities.
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1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. Standards Committee, at its meeting on 24 October 2012, requested an update on progress with establishing the Mayor of Merton's Charitable Trust.

2 DETAILS

- 2.1. The Mayor of Merton's Charitable Trust was notified on 4 October 2012 by the Charities Commission that it had achieved charitable status and had been entered onto the Commission's register of charities with the Registered Charity Number 1149209. The registration took effect from 23 August 2012, the date on which the Trust Deed was signed by all three Trustees.
- 2.2. The Trust was then registered with HM Revenue and Customs as a charity for tax purposes. This enables the Trust to make claims for the repayment of tax under the Gift Aid scheme for all eligible donations made after 23 August 2012.
- 2.3. The Trust is governed by the three trustees, Councillors David Williams, John Bowcott and Gilli Lewis-Lavender, who were appointed by Council at its meeting on 11 July 2012.
- 2.4. The Trustees have been fully briefed and have confirmed their understanding and acceptance of their responsibilities under the Charities Act. These include the requirement for an annual return and an annual report to be completed and filed with the Charity Commission each year.
- 2.5. The purpose of the Trust is to collect and distribute charitable donations for the benefit of the residents of the Borough directly or indirectly (i.e. through another charity). The purposes of the trust are widely drawn so that each

year the Mayor can have input into the specific focus for the year e.g. young to old, arts, sports etc.

- 2.6. Monies received and spent in relation to the Trust are held and controlled by the Council in an account held in the Trust's name. This system was previously used for monies relating to the Mayor's charities and is a flexible system that has worked well over many years.
- 2.7. The Head of Democracy Services currently provides administrative support to the trust and will file Annual Reports and returns with the Charity Commission, as well as the tax repayment claims to HMRC under the Gift Aid Scheme.
- 2.8. The Chief Executive of Merton Voluntary Service Council was consulted on establishing the Trust and has indicated a willingness to provide advice and guidance to the Trust as and when required.

3 ALTERNATIVE OPTIONS

- 3.1. None for the purposes of this report.

4 CONSULTATION UNDERTAKEN OR PROPOSED

- 4.1. None for the purposes of this report.

5 TIMETABLE

- 5.1. Standards Committee 26 February 2013

6 FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 6.1. Finance officers advised on the retention of the existing system for the collection and distribution of monies relating to the Mayor of Merton's Charitable Trust.
- 6.2. Officers provided copies of financial accounts for the purposes of registration with the Charity Commission and HMRC.

7 LEGAL AND STATUTORY IMPLICATIONS

- 7.1. Legal Services advised on the establishment of the Trust and liaised with the Charities Commission in order to understand and meet the Commission's requirements.
- 7.2. Legal Services provided advice and met with the three Trustees to brief them on their responsibilities and to ensure their full understanding of the obligations incumbent upon them. A written statement setting out their understanding and acceptance of these responsibilities was signed by each trustee.

8 HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

- 8.1. None for the purposes of this report

9 CRIME AND DISORDER IMPLICATIONS

- 9.1. None for the purposes of this report

10 RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 10.1. None for the purposes of this report

11 APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT

- none

12 BACKGROUND PAPERS

12.1. None

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