

LONDON BOROUGH OF HARROW

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| Meeting: | GRANTS ADVISORY PANEL |
| Date: | 22 NOVEMBER 2004 |
| Subject: | THE HARVIST TRUST |
| Key decision: | NO |
| Responsible Chief Officer: | DIRECTOR FINANCIAL & BUSINESS STRATEGY |
| Relevant Portfolio Holder: | PARTNERSHIP & PROPERTY |
| Status: | PART 1 |
| Ward: | N / A |
| Enclosures: | APPENDIX – REPORT TO TRUSTEES 1.11.2004 |

1. **Summary/ Reason for urgency (if applicable)**

- 1.1 Portfolio Holders decided on 18th December 2003 that the Grants Advisory Panel will be responsible for the allocation of funds from the Harrow element of the Harvist Trust. Members are recommended to agree the criteria and basic standards approved by the Trustees on 1st November 2004, before they begin to consider applications for funding from the Trust.

2. **Recommendations (for decision by Portfolio Holder)**

- 2.1 That the Grants Advisory Panel notes the objects of the Harvist Charity;
- 2.2 Agree the criteria and basic standards of governance approved by the Trustees on 1st November 2004.

REASON: To enable the Grants Advisory Panel to consider future applications for funding from the Harvist Trust.

3. **Consultation with Ward Councillors.**

N / A

4. **Policy Context (including Relevant Previous Decisions)**

- 4.1 Social Services Committee 19th November 1996 - reviewed the allocation of Harvist charity funds and the then approved criteria for determining funding requests.

4.2 Portfolio Holders Meeting 18th December 2003 – Agreed to recommend to Cabinet that decisions on the allocation of funds from the Harrow element of the Harvist Trust be determined by the Grants Advisory Panel; that the present balance on the account be reported to the Panel together with the present two outstanding requests for funding; and that the existing long standing commitments against the fund be continued pending a review by the Grants Advisory Panel.

5. **Relevance to Corporate Priorities**

5.1 This report addresses the Council's stated priority of "strengthening Harrow's local communities by promoting social inclusion amongst all Harrow residents both young and old, by seeking to eradicate poverty and by reducing the fear of crime.

6. **Background Information and options considered**

6.1 The Harvist Trust is a charity established from the estate of Edward Harvist, who died in 1609, and its proceeds are divided between the 5 London Boroughs through which the Edgware Road passes. Harrow receives 5.594% of the yearly income, which is intended for charitable purposes.

6.2 The overriding conditions relating to the use of the distributed income from the main Harvist Trust are:

a. The Trustees do not have to approve grants – the Council has the power.

b. The object of the Charity shall be to further all or any of the following purposes:

- The relief of the aged, impotent and poor inhabitants of the London Boroughs of the City of Westminster, Barnet, Brent, Camden and Harrow (the inhabitants of the said London Boroughs being hereinafter referred to as "the said inhabitants").
- The relief of distress and sickness among the said inhabitants;
- The provision of support (with the object of improving the conditions of life for the said inhabitants in the interest of social welfare) of facilities for recreation and other leisure-time occupation;
- The provision and support of educational facilities for the said inhabitants;
- Any other charitable purpose (whether or not of a nature similar to any of those hereinbefore specified) for the benefit of the said inhabitants; provided always that such purposes shall extend to those purposes for which provision is made out of rates, taxes or other public funds, only if and to the extent to which in the opinion of the Councils of the said London Boroughs further provision (in addition to that made out of rates, taxes or public funds) can properly be made for such purposes.

6.3 In Harrow, the following criteria were previously agreed by the Social Services Committee as being practical in their application and meeting the legal obligations imposed by the main Trust fund:

- a. The projects should be of a one-off nature with no (or at least very little) ongoing annual commitment.
 - b. There should be a clearly identifiable benefit to a broad-based group of clients.
 - c. Projects that generate improved efficiency or a saving in annual expenditure will receive some priority.
 - d. There are no alternative funds available within the currently approved Social Services revenue or capital budget.
- 6.4 The Trustees on 1st November 2004 approved the following good governance rules, which they recommend to their respective authorities to adopt:
- a. No charge whatsoever shall be imposed by the Councils for their own administration or other expense on Harvist money.
 - b. So far as possible, it shall be the objective to distribute or use the Harvist money during the year of receipt.
 - c. Councils shall allow interest to accrue on Harvist money from receipt until use at the average 7 day LIBOR rate.
 - d. Councils must be explicitly clear that Harvist money is further provision in addition to the Councils' own expenditure from their own funds.
 - e. Recipients of grants allocated from the Harvist Trust must be so informed; the trustees' preference is that Harvist money is a discrete fund/ budget to which organisations may apply who would not qualify for an award from the relevant Council's own grants programme.
 - f. If an authority uses Harvist money for expenditure on its own facilities, it must be clear that that expenditure is for an "extra" which simply would not be provided but for the Harvist money, and not simply as a contribution to revenue expenditure which the Council should itself properly bear.
 - g. Each Council must provide a fully reconcilable account of money held and spent whenever required by the trustees or the Hon Treasurer.
- 6.5 The interim distribution payment to Harrow Council for the period 1 April 2004 to 31 August 2004 was £2,570.22. The accrued balance at 1st April 2004 was £57,556.
- 6.6 Given that the Panel will in future have responsibility for allocating Harvist Charity funds, Members will need to consider how the new grants strategy links with the recently approved minimum governance rules of the Charity.
- 6.7 At the next meeting of the Panel, a report will be presented outlining all ongoing commitments and outstanding applications, for consideration.

7. **Consultation**

Not applicable

8. **Finance Observations**

8.1 The criteria proposed will enable grants applications to be approved from the trust funds.

9. **Legal Observations**

9.1 None

10. **Conclusion**

10.1 Now that the responsibility for allocating Harvist Trust Charity funds falls under the Panel's remit, Members will need to formally adopt the Trustees recommendations for minimum standards of good governance.

10.2 Future funding decisions will be based on these, taking into account the Panel's new funding strategy.

11. **Background Papers**

11.1 None

12. **Author**

12.1 David Ward – Risk & Insurance Manager Ext. 2335. E-mail: david.ward@harrow.gov.uk