

## **Options Paper: Henrietta Trust Fund February 2016**

In considering the future management arrangements for the Henrietta Trust Fund, there are two matters that should be central to our assessment:

**1934** - Henrietta Parker dies – her last Will and Testament bequeathed for the funding in Molesey of a “School or Institution for technical and manual instruction in Cookery, Laundry Work and Hygiene... people would be admitted either without payment on specified terms so that no preference is given to any person or class of person.”

**1984** - Charity Commission Scheme – states SCC is sole trustee and is responsible for its management and administration. The Object of the Charity “shall be the promotion of the education of the public by the provision of technical and manual instruction in the domestic sciences and allied subject, either free of charge or upon payment of such reasonable fees as the Trustee from time to time thinks fit.”

### **Future Options**

Four possible options in terms of the future management of the Henrietta Parker Trust have been considered. These proposals include 2 possible options for working in partnership with the Community Foundation for Surrey. The aim of the paper is to explore potential options for the Henrietta Parker Trust to ensure the following:

- **Donor’s original intentions** - Henrietta Parker’s original intentions as the donor are maintained and applicable to meet changing community needs;
- **Community Outreach** - The Fund is able to support local community projects and initiatives that can add value to the utilisation of the Fund and provide progression pathways the delivery of classes and adult education within the centre;
- **Improve access to learning** – The majority of classes delivered from the Henrietta Parker Centre are funded by the County Council’s contract with the Skills Funding Agency. However, the programme is not accessible to some adults due to a number of factors, including course fees, childcare, and transport costs. In addition the cost of maintaining the standard of equipment in the Centre is sometimes in excess of the Centre’s core budget.
- **Future sustainability** – the future sustainability of the Fund is secured;
- **Legal / financial compliance** – the legal and financial requirements of managing a charitable Trust are met, including ensuring the income generated each year is spent in line with the donor’s wishes.

**1.Current position** - A more robust and accountable variation on the current position – with the charitable trust being held within the County Council with a Management Board established to agree and review the planned use of the charitable funds.

This will require on-going legal and financial compliance to meet charitable trust requirements and ensuring the income generated is used to meet the objects of the Trust. The current position may continue to struggle to meet the aims of ensuring some of the income supports local community and voluntary projects in the wider community and connecting these projects to the Henrietta Parker Centre.

**Benefits:** This option will optimise the amount of funding available for the intentions of the Charity, as administrative and overhead costs would continue to be absorbed by the County Council.

**2. Separate Charitable Trust** – establish a separate charitable trust. This will incur costs in terms of setting up the legal framework and on-going costs in terms of administration and the legal and financial compliance in running a charitable trust. Building the expertise in managing and running a charity, grant making and financial management will also be required.

A contractual arrangement between the new Trust and the County Council would need to be agreed about future entitlement (if any) on the Trust's use of the learning centre in West Molesey.

In addition the Charities Commission is likely to take some convincing that a small newly formed Charity would manage the use of the funds more effectively, both in the short term and on a sustainable basis than the County Council with its resource base. The Commission would also need to be convinced how equalities would be addressed under such an arrangement.

**Benefits:** The Trust would be divorced from the County Council, thus not incurring current levels of officers and Councillors time in administering and managing the resource.

There are also two options for working with the *Community Foundation for Surrey*:

**3. Establish a Flow-through Fund** – The Trust remains within the County Council but a Community Fund is established within the Community Foundation using a proportion of the income generated to support an outreach and community programme for local projects in Molesey. The remaining funds continue to support the work at the centre, such as equipment purchases, providing crèche facilities for people attending English and maths classes, and subsidising access to high cost courses for disadvantaged adults not fundable through other means. The Management Board determined by the Council would continue to agree and review the planned use of the funds, and the proportion being directed at community based projects vis-a-vis those being utilised through the centre.

**Benefits:** This ensures that an active programme of grant awards to the local community are delivered and that the full income generated is used to meet the Trust's charitable objectives within the existing legal and financial structure. County Council Officers would be involved in the grant award decisions but with the additional information and connections through the Community Foundation.

There would be a charge of 10% of each donation made to the fund on entry.

**4. Trust Transfer** – transfer the charitable trust to the Community Foundation to establish a permanent and bespoke community fund in Henrietta Parker's name with the specific criteria that reflects her original intentions. The funds would be invested and the income generated to support both the needs of the Henrietta Parker Centre and an outreach programme supporting local community projects. The Management Board determined by the Council would still agree a high level plan and review use of the fund.

**Benefits:** This provides a permanent and sustainable solution, meets the legal and financial requirements of the Charity Commission whilst ensuring County Council Members and Officers continue to make the grant award decisions.

There would be annual charge of 1% of the Endowment Funds, plus a one-off set-up fee of 3% to cover the initial cost of establishing the endowment fund.