

Report of	Meeting	Date
Director (Finance) (Introduced by Executive Member (Resources))	Executive Cabinet	13 June 2024

## Closure of Council Charities

Is this report confidential?	No
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Is this decision key?	No
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### Purpose of the Report

1. To present a proposal to wind up and close four small charities to which the council has a connection, either through holding cash for the charity and/or providing an administrative service, and to ensure proper use of any resulting funds.

### Recommendations to Executive Cabinet

2. That the William Cocker Charity, the WB Parks Charity, the HT Parkes Baths Fund and the McKnight Memorial Fund are closed, and that approval is given to distribute any monies to similar charities or causes.
3. That the determination of the recipients of the balance on each fund is delegated to the Chair of the Governance Committee and the Executive Member for Resources, the outcome of which will be reported to a future Governance Committee meeting.

### Reasons for recommendations

4. The charities no longer operate or meet the purpose they were initially set up to achieve. As well as placing an administrative burden upon the council in producing the accounts each year and managing the bank accounts, as the accounts have remained dormant, the funds have not been applied as intended.

### Other options considered and rejected

5. The alternative option would be to keep the charities as they are now, and this has been rejected as of being no practical advantage and creating unnecessary work.

### Corporate priorities

6. The report relates to the following corporate priorities:

<b>Housing where residents can live well</b>	<b>A green and sustainable borough</b>
<b>An enterprising economy with vibrant local centres in urban and rural areas</b>	<b>Healthy, safe and engaged communities</b>

**Background to the report**

- 7. As noted in Paragraph 3 these charities no longer meet their intended purposes in any meaningful way. As only minimal amounts of interest are generated, there is little that they can practically achieve. There are also no current trustees to conduct the business of the charities. Details of the charities are as follows:
- 8. **Edward McKnight Memorial Fund** : This fund was established many years ago to pay for educational lectures in memory of Edward McKnight, Chorley’s first librarian, who died in 1911. It has a cash balance, held by Chorley Council, which receives interest at the average rate earned on the Council’s investments. It has not incurred any expenditure for many years. The assets of the fund as at 31 March 2024 were £5,646.50. It is not registered with the Charity Commission.
- 9. **William Cocker Charity**: This charity was established for the provision of recreation grounds in Chorley, and the interest earned on its external investment is paid to Chorley Council for that purpose. The assets of the fund at 31 March 2024 were £3,884.25 It is not registered with the Charity Commission.
- 10. **H T Parke’s Baths Fund**: This fund was established for the maintenance of Brinscall Baths, and the interest earned on its external investment is paid to Chorley Council for that purpose. The assets of the fund at 31 March 2024 were £1,854.62. It is not registered with the Charity Commission.
- 11. **W B Park’s Charity**: It is understood that W B Park’s Charity was established for the extension of the Infectious Diseases Hospital, Withnell. The Council holds a cash balance of £1,704.89 for the charity, which does not have interest added because of the difficulty of applying the charity’s resources to an appropriate purpose. There has been no income or expenditure for many years. The Charity is not registered with the Charity Commission.
- 12. For all the above charities and funds, due to the considerable time since their inception, and the lack of activity concerning them in recent years, there is a lack of formal paperwork such as governing documents confirming who the trustees were or how the council became involved with the financial affairs.

**Climate change and air quality**

- 13. The work noted in this report does not impact on the Councils Carbon emissions or the wider Climate Emergency and sustainability targets of the Council.

**Equality and diversity**

- 14. Not applicable.

**Risk**

- 15. No risks have been identified in any risk assessment.

### **Comments of the Statutory Finance Officer**

16. Given the amounts involved and that these funds are not currently being put to Charitable purposes the approach detailed is the best way to ensure funds are suitably used.

### **Comments of the Monitoring Officer**

17. The costs of administering these charities are disproportionate to the value of the funds and it is reasonable to seek to close them and distribute the funds. It is recommended that when exercising the delegated authority, efforts are made to meet the charitable objectives of the gift.

### **Background documents**

Charity and Trust Fund Accounts 2023-24 presented to Governance Committee May 2024.

### **Appendices**

None

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This decision will come into force and may be implemented five working days after its publication date, subject to being called in in accordance with the Council's Constitution.