

Minutes of a meeting of the **Commercial Ventures Executive Sub-Committee** held at the **New Council Chamber - Town Hall, Reigate** on **Thursday, 20 October 2022 at 7.05 pm.**

Present: Councillors T. Archer (Chair) and M. A. Brunt (Leader); T. Schofield and V. H. Lewanski (Vice-Chair)

Visiting Members present: J. C. S. Essex, P. Chandler and R. Ritter. S. Sinden (attended remotely)

24 Apologies for absence

There were no apologies for absence.

25 Minutes of the previous meeting

RESOLVED to approve the minutes of the previous meeting on 26 September 2022 as a correct record.

26 Declarations of interest

There were no declarations of interest.

27 Governance of Council's charitable trusts

The Executive Member for Investment and Companies, Councillor Archer, introduced the report – Governance of charitable trusts. The Council is sole trustee for 17 charitable trusts. To promote good governance and to demonstrate there is clear separation between the Council's role as the Municipal Authority and the Council's role as trustee, it was recommended that the terms of reference of the Commercial Ventures Executive Sub-Committee (CVESC) be extended. This is to fulfil the role of trustee in the charitable trusts where the Council is the sole trustee.

It was proposed that the Commercial Ventures Executive Sub-Committee be renamed as the Partner, Shareholder and Trustee Sub-Committee.

Proposed amendments to the terms of reference were set out within Appendix 1. Appendix 2 (published as an Addendum) contains information on each of the charities including their assets. Online training on charities will be delivered to CVESC and officers in the Autumn.

Visiting Members noted that this proposal had been raised at Overview and Scrutiny Committee in relation to the Reigate Baths Trust and the Public Open Spaces Trusts.



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They asked for information about the balances held in trust. They also asked how the Council ensured that the funds are increasing in value each year.

Chief Finance Officer, Pat Main, told the Committee that the Council's annual statement of accounts confirms the total balance to be around £1.7m, with the two most significant funds amounting to circa £0.750 million each. The funds are invested alongside other Council funds as set out in the Treasury Management reports. This meant there was access to a wider portfolio that attracts higher interest returns and the interest earned was credited to the charities each year.

Councillor Archer said that there had been a number of questions raised over recent years. Governance would be put on a firmer footing through these proposals. Appendix 2 started to pull together some of the history and specific questions could be raised at future meetings on how the Council was managing the assets and to make sure there were appropriate returns. He thanked officers for their work on this report.

The Leader said that work continued as two Henry Smith charities needed to be included. There was a great deal of corporate history tied up with the trusts and legal documents were held securely in storage. It was important to reconstitute this Committee. It was noted that some of these charities already had trustees in the community who were doing a good job. This Committee would work alongside those trustees.

Visiting Members asked whether the money held in trust could be used for other projects when the original assets, such as the Reigate Baths, for example, had been closed for many years.

Councillor Archer said the Committee would be able to discuss the best use of these funds and was open to suggestions from other Members about how money could be used in accordance with the wishes of the trusts.

Members asked specifically about the intentions regarding the two largest trust funds and the need to understand the current purpose and history and what the Council had committed to when it had taken on the funds.

Councillor Archer said this would be taken on board by the Committee.

RESOLVED:

That CVESC approves these Recommendations go forward to Full Council:

- (1) In accordance with Article 15 of the Constitution, Full Council approves the extension of the terms of reference of the Commercial Ventures Executive Sub-Committee, subject to paragraph (2) below, by incorporating the terms of reference as shown in Appendix 1 to this report.**
- (2) The Monitoring Officer be authorised to take all necessary action to finalise the terms of reference to be included in the Council's Constitution and to make such other consequential amendments to the Constitution as the Monitoring Officer deems appropriate.**
- (3) The Commercial Ventures Executive Sub-Committee be re-named as the Partner, Shareholder and Trustee Sub-Committee.**

28 Any other business

There was no other business.

The meeting finished at 7.20 pm