

Portreeves or Corporation Almshouses Trust – Annual Report & Statements for the Year to 31st March 2018

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Purpose of the Report

To update members of the Area South Committee who collectively act as trustees for the Trust and to approve the 2017/18 Statement of Accounts.

Public Interest

Portreeves or Corporation Almshouses Trust (previously known as Dorcas House) is a registered Charity, No. 235337 and is regulated under Charity Commission Schemes dated 3rd September 1973 and 1st February 1978. The Area South Committee acts as Trustees of the Trust.

Recommendations

- (1) To approve the Annual Accounts for the Portreeves or Corporation Almshouses Trust
- (2) To note the update in the annual report

Background

Portreeves or Corporation Almshouses Trust is a registered Charity, No. 235337 and is regulated under Charity Commission Schemes dated 3rd September 1973 and 1st February 1978.

As a local authority SSDC is required to demonstrate compliance with the underlying principles of good governance and that a framework exists to demonstrate this. One of the principles is accountability and by preparing and publishing the annual Statement of Accounts the Council achieves this objective.

The Accounts and Audit (England) Regulations 2011 came into force on 31 March 2011. The Statement of Accounts needs to be evidenced by the Chair of Area Committee South signing and dating the balance sheet and the annual report.

Dorcas House was located in Preston Grove, Yeovil. The land on which it sat was conveyed to the Borough of Yeovil by means of a Deed of Gift on 30th May 1910 as a site for an Almshouse. The trusteeship is vested in South Somerset District Council and delegated to the Area South Committee.

The Council was under obligation to erect an Almshouse. Once built, Dorcas House was only to be used for poor women inhabitants of the Parish of Yeovil. In more recent years SSDC applied to the Charities Commission to have the covenants changed to allow women and their children to reside in the property.

Concerns regarding the ongoing cost of maintaining and managing the building in future years, together with the unsuitability and inflexibility of the accommodation prompted the trustees to consider alternative options to meet the objectives of the trust. Following advice from the Charities Commission that the Trustees were permitted to sell and re-provide without the need for formal permission, the property was sold in October 2013 producing a net capital receipt of £371,572 and in addition investments were realised for a sum of £52,032. Together with the cash balance there is now a capital fund of £443,214 for replacement properties.

Current Situation

The Corporate Strategic Housing Manager advises that it is still our intention to seek replacement properties for the charitable foundation as opportunities arise within the settlement of Yeovil. Due to the charitable terms being tied to the Parish, the opportunities are very limited as most of the new building going on in Yeovil is in surrounding parishes. A cost effective approach that he has pursued is to link up to a Housing Association development, thus achieving lower pro rata construction costs and 'buying in' all the development skills needed. One suitable site – controlled by Stonewater – was identified, but the (gross) construction costs were too high to be viable for the HA. He has two other possible sites in his sights, but neither is sufficiently advanced at the present time.

If a suitable solution cannot be found in a reasonable timescale then he advises that SSDC could go back to the Charity Commission to see if we could obtain approval to move away from the confines of the parish of Yeovil to the whole settlement and/or away from women only to a broader group of beneficiaries.

Financial Implications

The draft statement of accounts details the financial position of the charity as at 31st March 2018 and is submitted at Appendix A for approval by Area South Committee at this July 2018 meeting. Grant Thornton, the District Auditors, will not review separately the annual Statement of Accounts and supporting working papers as the turnover is below £25k.

Corporate Priority Implications

This work supports the following corporate aims:

- Improve the Housing, Health and wellbeing of our citizens

Carbon Emissions & Adapting to Climate Change Implications (NI188)

Energy leakage from the existing building will be decreased when the new owner redevelops the property. Re-investment of the proceeds of sale will be used for property that will be built to modern standards, which will be more energy efficient.

Equality and Diversity Implication

The nature of the Charitable Trust dictates the client group whose needs are met by this provision. We are in discussion with the Charities Commission about amendment of allowed usage that would broaden the nature of the client group.