

ESSENTIAL REFERENCE PAPER 'B'

East Herts Council and East Herts Fund for the Future Proposed Operating Arrangements

East Herts Council supports the proposal that the independent endowment fund, East Herts Fund for the Future, adopts a new operating approach which would mean a closer working relationship with the Chairman of the Council.

The new approach invites each incoming Chairman of the Council to adopt the Fund while he or she is in office and aim to increase the Fund's capital, thus increasing its grant-making capacity in the long-term. The Chairman and Vice Chairman are invited to raise money for the Fund, choosing one or more of the following options:

- 1) All funds raised through the Chairman's core fundraising activities (Civic Dinner, Civic Service, Chairman's Drinks, Pantomime) are paid to the East Herts Fund for the Future
- 2) A proportion of all funds raised is paid to East Herts Fund for the Future. This amount will be determined at the start of each individual term of office.
- 3) Organising an extra fund raising event – outside core Council events – and involving other Councillors. All funds raised paid to East Herts Fund for the Future
- 4) Another option identified by the Chairman

All funds raised by the Chairman will be awarded into the Fund which will serve as a "holding account" until the monies are paid out at the end of the year. Interest raised during the year will remain with the Fund.

The Council will put the Fund on its list of outside charitable bodies and appoint the Chairman and Vice Chairman to serve on the Fund's Advisory Panel.

The proposed Terms of Reference for Members' closer involvement in this Fund are listed. It is expected that the administrator, Hertfordshire Community Foundation (HCF), would implement these.

1. Set up a formal Grant Making Advisory Panel of up to 5 members including East Herts Chairman, Vice Chairman and a representative from the Mayes family. Other appointees to be current or past East Herts Councillors and Aldermen. Panel to meet at least once a year to assess applications and make recommendations to HCF board.
2. Move from a donor-advised Fund to one that is more transparent and open to unsolicited applications and is promoted to the wider community. A formal application process and annual deadline that corresponds to the civic year will be expected.
3. Award small grants to voluntary and community groups that are addressing the most pressing needs of the district.
4. Any advised grants must be to charities that clearly benefit East Herts residents.
5. Promote eligibility criteria based on HCF main criteria but with any additional aspects agreed by Advisory Panel.
6. Young people up to age 25 will continue to be eligible for personal endeavours and personal development.
7. Annual priorities (perhaps a preference to fund groups with no paid staff) based on evidence of need in the East Herts district area to be published as well as an application deadline. The Fund will strive for a balanced and diverse range of awards across the district
8. HCF to be the main contact for administration, promotion and monitoring of the grant giving. The HCF will provide the Council Chairman information that will help promote fund raising.
9. Require, as a condition of their grant, that successful applicants be required to provide information on how the grant was of benefit and what was achieved. If requested, successful applicants will be expected to make themselves available to attend fund raising events.
10. HCF to provide the Council with a revised Fund Agreement detailing the new approach and Plan for 14/15. Plan must be signed by the Fund Holder or members of the Advisory Panel. Trustees to meet each year to discuss way forward. A governing document also to be prepared.
11. East Herts Council and HCF to raise the profile of the Fund through their websites and social media – promoting both fundraising events and grant giving. HCF will ensure there is a facility to donate online.

12. Organise/promote a campaign to encourage individuals to leave bequests in their will to the Fund

13. HCF to acknowledge support of civic leadership of the Council in all grants publicity.

It is anticipated that these steps will reinvigorate the Fund and enable it to operate more effectively for the benefit of the local community of East Herts and ensure this valuable legacy continues.