

Agenda Item	11
Report No	RC/026/18

THE HIGHLAND COUNCIL

Committee: Ross and Cromarty

Date: 15 August 2018

Report Title: **Educational Trusts**

Report By: Derek Martin, Area Care and Learning Manager

1. **Purpose/Executive Summary**

1.1 This report provides a summary of Duncraig Trust Scheme and Ross and Cromarty Educational Trust Scheme, 1961. It summarises awards over the last financial year, and proposes a number of changes, in order that young people receive best value from these trusts.

2. **Recommendations**

2.2 Members are asked to:

- note the report on awards made by Duncraig Trust, and Ross and Cromarty Educational Trust;
- agree that Duncraig Trust should be referred to the investment subcommittee, in order to improve income to the trust;
- note the purposes and priorities of Ross and Cromarty Educational Trust;
- approve the following annual transfers from Ross and Cromarty Educational Trust funds to Comhairle nan Eilean Siar (subject to sufficient investment income):
 - £670 for prizes
 - £8260 for bursaries
 - 30% of any remaining surplus income (based on population size);
- delegate the decision making and administrative duties of the above portions to the Director of Education of Comhairle nan Eilean Siar, with an annual report to the trust;
- consider if the bursary awards within Ross and Cromarty should continue to be a delegated duty solely to an officer, or to an officer in consultation with ward members;
- approve the maximum expenditure of free income as listed in the attached paper "Fifth Schedule- Expenditure of Free Income";
- agree to seek the approval of the Scottish Government for the above changes, as required under Ross and Cromarty Educational Trust Scheme 1961; and ask the Scottish Government to agree that future approval of the government will not be required for changes to the plan - reflecting modern governance of these types of trusts.

3. Introduction

- 3.1 At the Duncraig Trust Scheme subcommittee meeting of 31 August 2016, members proposed that, given the low amounts available for dispersal (around £4000 per year), "it was recognised that a more efficient way of awarding grants would be to delegate this function to an officer with the outcome being reported to Members, perhaps to Ross and Cromarty Committee."
- 3.2 The duties of administration and making awards for both trusts were passed to the Mid Area Care and Learning Manager by the Director of Care and Learning.
- 3.3 It was noted by the subcommittee that the levels of returns for Duncraig Trust was poor at less than 0.5%, (largely due to the economic downturn) and that it would be appropriate to look at reviewing the investment of the capital of some £800,000.

4.0 Duncraig Trust

- 4.1 The capital of the trust at the end of 2017-18 financial year was **£793,348.91**
The income to the trust in 2017-18 was **£4,750.73**
The expenditure from the trust was **£5,718.00**
- 4.2 There were thirteen applications to Duncraig Trust. Fourteen awards of between £200 and £300 were made, with a total expenditure of £3700. Awards were made to help fund specialist equipment for sports, and to support those with exceptional talent for training and studies. Other annual payments are made to cover historical loss of payments to staff and central support charges.
- 4.3 The capital continues to perform poorly. It would be useful, therefore, to send this to the investment subcommittee to look at options for an improved return.

5.0 Ross and Cromarty Educational Trust

- 5.1 The capital of the trust at the end of 2017-18 financial year was **£552,981.31**
The income to this trust in 2017-18 was **£18,090.15**
The expenditure from the trust was **£2,343.47**
- 5.2 There were only three applications to Ross and Cromarty Trust. Two small awards were made to Dingwall Academy, Invergordon Academy and Mulbuie Primary for excursions amounting to £525. Comhairle nan Eilean Siar received a payment of £1500 for school excursions. Again, other annual payments are made to cover central support charges.
- 5.3 Ross and Cromarty Educational Trust is in a much healthier position, by comparison, with greater annual returns than the other trust. This is due to the capital being invested, rather than being in a low interest bank account. It is, therefore, suggested that no action is required with regards to reviewing how the capital is invested at this time.

6.0 The Need for Modernising Ross and Cromarty Educational Trust

- 6.1 Ross and Cromarty Educational Trust was last formally reviewed in 1961 by the Secretary of State, with powers to manage the trust transferred to the County of Ross and Cromarty at that time. Subsequent local government reorganisation, on more than one occasion, has led to the formation of Comhairle nan Eilean Siar - formerly part of the old county. As a result, Ross and Cromarty Educational Trust is managed by The Highland Council with payments made to Comhairle nan Eilean Siar annually.
- 6.2 The purposes of the trust are to:
1. Issue prizes to specific schools (Third Schedule)
 2. Award bursaries to university students and apprentices (Fourth Schedule)
 3. Any surplus income after the above should be used to make awards for educational excursions, sports, adult education, and education in the arts (Fifth Schedule)
- 6.3 Over time, however, awards have largely been made under the fifth schedule, and only by small amounts, with large sums of income being returned to the capital amount, rather than being used as intended. There is a need, therefore, to increase awareness of this trust fund in our schools and communities.
- 6.4 An exercise was undertaken to take the amounts prescribed in various sections of the trust and apply an index linked calculation to place a monetary amount against these sections; and also to calculate, against recent income, a percentage which could be allocated to the two local authorities.
- 6.5 The proportion of trust funds which are allocated against schools in Comhairle nan Eilean Siar for prizes amounts to approximately 35% of the total for prizes. These are fixed amounts which should be paid out annually.
- 6.6 The proportion of funds which are allocated to bursaries for the young people of Comhairle nan Eilean Siar amounts to approximately 55% of the total for bursaries. These are fixed amounts which should be paid out annually.
- 6.7 Within Mid Area Care and Learning, there are six bursaries available in the following locations for tertiary education:
- 3 x £500 for the Burgh/Parish of Cromarty
 - 1 x £400 for the Burgh/Parish of Dingwall
 - 1x £3000 for former pupils of Avoch and Killen
 - 1x £400 for pupils leaving Tain Royal Academy
 - 2x £800 for pupils leaving Tain Royal Academy
- 6.8 These bursaries have not been applied for, or awarded in a number of years. It is proposed that applications be actively invited annually, as funding allows. It would be useful to consider if the bursary awards within Ross and Cromarty should continue to be a delegated duty solely to an officer, or to an officer in consultation with ward members.
- 6.9 The combination of prize money and bursaries (if they had been awarded) amounts to approximately 80% of the total income for last year, leaving 20% of surplus income to be used for items described in the fifth schedule. This would have amounted to approximately £3618.

6.10 The former county area that is now part of Comhairle nan Eilean Siar has about 30% of the population of the old county. It would seem sensible, therefore, that 30% of the surplus income be used by that local authority.

7. Implications

7.1 Resource

There are no additional resource implications to The Highland Council.

7.2 Legal

There is a requirement to have the approval of The Scottish Government (succeeding the duties of The Secretary of State). There is a requirement for The Highland Council to receive a report annually from Comhairle nan Eilean Siar.

7.3 Community (Equality, Poverty and Rural)

With a refreshed approach to the organisation and administration of the trust, it is likely that more young people will access funds to support learning and sports.

7.4 Climate Change / Carbon Clever

There are no climate change/carbon clever implications.

7.5 Risk

There are risks associated with changing Duncraig Trust to an investment income, as the value of shares may go down as well as up.

7.6 Gaelic

There are no implications for Gaelic.

Designation: Area Care and Learning Manager

Date: 13 July 2018

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Background Papers:

Ross and Cromarty Trust: Third Schedule- Prizes to be Awarded

Ross and Cromarty Trust: Fourth Schedule- Bursaries to be Awarded

Ross and Cromarty Trust: Fifth Schedule- Expenditure of Free Income

Ross and Cromarty Educational Trust: Third Schedule- Prizes to be Awarded

PRIZES

Schools Within Mid Area, The Highland Council
<u>Schools Within Comhairle Nan Eilean Siar</u>

Name	Number to be awarded each year	Total Value 1961	Total Current Value 2018 (rounded)	Beneficiaries	Special conditions
Brownie Memorial Prize	-	£2 10s	£50	Pupils at Tain Royal Academy	-
Roderick Campbell Prize	-	£5	£100	Pupils at Cross Primary school, Lewis and Lionel Junior Secondary school, Lewis	-
John Ferguson Prize	-	£5 10s	£110	Pupils at Tain Royal Academy	-
Gibson Dux Medal and Prize	one	£6	£120	Pupils at Nicolson Institute, Stornoway	Medal and a book for dux pupil
Elizabeth Grigor Prizes	-	£3	£60	Pupils at Dingwall Academy	For pupils of good character and behaviour
Alexander Jack Prizes	-	£1 15s	£25	Pupils at Culbokie Primary School	-
Donald MacDonald Prizes	-	£1 15s	£25	Pupils at Tarbat Old Primary School	For most meritorious pupils
Donald MacDonald Prizes	-	£1 15s	£25	Pupils at Tarbat West Primary School	For most meritorious pupils
Dr Agnes Mure Mackenzie Memorial prize	one	£1 15s	£25	Pupils at Lewis Castle College, Stornoway	For most proficient in social studies
Dr Donald Mackenzie	two	£7 7s	£150	Pupils at Nicolson	For pupil in highest classes

Memorial Prize				Institute, Stornoway	most proficient in Greek and religious knowledge and for the pupils in highest classes most proficient in Gaelic and religious knowledge
Edward B D Mackenzie Memorial Prize	one	£1 10s	£25	Pupils at Nicolson Institute, Stornoway	For pupil in highest classes most proficient in technical subjects
Peter Glass Mackenzie Memorial Prizes	-	£5	£100	Pupils at Dingwall Academy	Can be medals. For proficiency in art, technical subjects, commercial subjects and domestic subjects provided pupil gains a Scottish qualification pass certificate in that subject. Inscription – “In memory of Peter Glass Mackenzie of Dingwall and the Eastern Telegraph Co”
Colonel John Macsween Memorial Prize	two	£5 5s	£100	Pupils at Aird Junior Secondary School, Lewis and Lews Castle College, Stornoway	For best pupil in navigation at each school
Hugh Martin medal	one	£3 5s	£65	Pupils at Nicolson Institute, Stornoway	For best pupil in commercial subjects
Helen Munro Prizes	-	£2 10S	£50	Pupils at Tain Royal Academy	On Rectors recommendation for excellence in music, art, domestic science and PE
Helen Munro Class Prizes	five	£5	£100	Pupils at Tain Royal Academy	Prize of £1 to best pupil in each of 1 st , 2 nd , 3 rd , 4 th and 5 th year classes of secondary dept

Port Elizabeth Highland Society Major General Sir Hector MacDonald Memorial Prizes	-	£9	£180	Pupils at Dingwall Academy	-
Dr Alexander Robertson Prize	one	£3	£60	Pupils at Nicolson Institute, Stornoway	Books. For best pupil leaving to go to a Scottish University to study in Faculty of Medicine
Rev. Charles Robertson Memorial Prize	one	£4 6S	£80	Pupils at senior secondary schools in Ross and Cromarty area	For pupil getting highest mark in Higher Greek. If no such pupil then for highest mark in Lower Greek, Higher Latin or Lower Latin
Ross-shire Victoria Jubilee Prize and Bisset Memorial Prize	-	£8	£160	Pupils at public schools in Easter Ross	For most meritorious pupils in final year of primary course based on head teachers reports of outstanding pupils
George Urquhart Prizes	-	£14	£280	Pupils at Conon Primary school	-
Margaret Mowat Williams Prizes	two	£1 10S	£25	Pupils at Tain Primary school	Prize for winner of medal for best girl in the school. Balance of money for prize at head teacher's discretion
Ross and Cromarty Total			£1245		
Comhairle nan Eilean Siar Total			£670		
Total Prize Money			£1915		

Ross and Cromarty Educational Trust: Fourth Schedule- Bursaries to be Awarded

BURSARIES

Name of Bursary	Maximum Sum which may be expended annually (1961)	Maximum sum which may be expended annually (2018)	Description of persons entitled to a preference	Special conditions
George Denoon Bursary	£25	£500	Natives of Burgh/Parish of Cromarty or ordinarily resident for at least 5 years immediately prior to the bursary competition	Available for any university or educational establishment. Council to be satisfied of good moral character of candidate
William Denoon Bursary	£25	£500	As above	Available for any Central Institution. Council to be satisfied of good moral character of candidate
Donald Mackenzie (Bernera) Bursary	£16 10s	£330	Persons at any time in regular attendance at Bernera School, Lewis	Available at Nicolson Institute during 4 th , 5 th and 6 th years – Scottish Leavers Certificate no longer applicable.
George Mackenzie Bursary	£20	£400	Natives of Burgh/Parish of Dingwall who have been in regular attendance at Dingwall Academy immediately prior to the bursary competition	Available for any university, Central Institution, College of Education or other FE Centre approved by Council
Ex-Provost Alexander Maclennan Bursary	£26 10s	£530	Persons of Park district of Parish of Lochs	Same as for Donald Mackenzie (Bernera) Bursary
George Macleod Bursary	£20	£400	Pupils in regular attendance at Tain Royal Academy for at least 2 years immediately prior to the bursary competition	Available for any University or Central Institution
Dr Malcolm Macleod Balallan Bursary	£40	£800	Persons belonging to Balallan	Same as for Donald Mackenzie (Bernera) Bursary
Helen Munro Bursary	£30	£600	Pupils in regular attendance at Tain Royal Academy for at least	Available at any university

			4 years immediately prior to the bursary competition	
Kenneth Murray Memorial Bursary	£40	£800	Pupils in regular attendance at Tain Royal Academy for at least 1 year immediately prior to the bursary competition	Available at any university
Nicolson Bursary	£150	£3000	Pupils in regular attendance at Nicolson Institute, Stornoway for at least 2 years immediately prior to the bursary competition	Available at any university
Dr J L Robertson Bursary	£60	£1200	Pupils in regular attendance at the Nicolson Institute, Stornoway immediately prior to the bursary competition	Available at any university
Dr J L Robertson Bursary	£90	£1800	Pupils in regular attendance at secondary school in the area other than the Nicolson Institute, Stornoway immediately prior to the bursary competition	Available at any university
Rosehaugh Bursary	£150	£3000	Persons who have at any time prior to the bursary competition been in regular attendance for not less than 1 year at Avoch Junior Secondary school or Killen Primary school	Available at any university
Ross Bursary	£40	£800	Natives of Burgh/Parish of Tain who have been in regular attendance at Tain Royal Academy for at least 4 years immediately prior to the bursary competition	Available in Faculties of Arts or Medicine at any university
Thomson Memorial Bursary	£25	£500	Natives of Burgh/Parish of Cromarty or persons whose parents have been ordinarily resident in said Burgh/Parish for	Available in Faculty of Arts at any university

			2 years immediately prior to the bursary competition. To Qualify said natives/persons must also have been in regular attendance at any time at a school in Burgh/Parish for at least 3 consecutive years	
Total Ross and Cromarty Bursaries		£6900		
Total Comhairle nan Eilean Siar Bursaries		£8260		
Combined Total Bursaries		£15160		

Ross and Cromarty Educational Trust: Fifth Schedule- Expenditure of Free Income

Section	Rubric	Maximum Expenditure in each Year	Remarks
13	Post graduate scholarships	£500	
14	Supplementary bursaries	£0	Overtaken by free tertiary education and low availability of free income
15	Special grants	£0	As above
16	Assistance in experiencing practical experience of trades	£500	
17	Grants for student apprentices	£500	
18	Travel scholarships	£0	low availability of free income
19	Travel grants	£0	Subsume into 21 below
20	Educational excursions	£0	Subsume into 21 below
21	Educational travel	£500	
22	Special equipment	£500	
23	Sports facilities	£500	
24	Support of clubs	£500	
25	School hostel	£0	Fully funded
26	Adult education	£300	
27	Promoting education in visual arts	£150	
28	Promoting education in music	£150	
29	Promoting education in drama	£150	
30	Educational experiments and research	£250	
Maximum (at 24% over last year's free income)		£4500	
Maximum free income available last year		£3618	