



Report of the Chief Officer (Executive Support)

Executive Board

Date: 15 November 2006

Subject: Lord Mayor's Earthquake Appeal

<p>Electoral wards affected: None</p>
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<p>Specific implications for:</p> <p>Equality and Diversity <input type="checkbox"/></p> <p>Community Cohesion <input type="checkbox"/></p> <p>Narrowing the gap <input type="checkbox"/></p>
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Eligible for call In

Not eligible for call in
(details contained in the report)

Executive Summary

1. Following the earthquake which devastated areas of north Asia, in particular Kashmir, in October 2005, it was proposed that the council respond to the disaster by pledging to donate up to £50,000 to support a suitable project in the region affected. An Elected Member Advisory Group was tasked to recommend such a project and this report summarises progress to date and provides details of the proposed project – the rebuilding of a hospital in Muzaffarabad.

1.0 Purpose of this report

- 1.1 To seek Executive Board approval for the recommendations contained within this report, namely that the council support the re-building of a hospital in Muzaffarabad.

2.0 Background information

- 2.1 In the aftermath of the earthquake in Asia, the council acted swiftly to launch a Lord Mayor's appeal in order to raise funds for the victims. £6,128.94 was raised following fundraising activities by council staff and it was agreed in consultation with Leading Members that the council would look to make the total up to £50,000 by utilising funds from the capital programme, subject to approval by Members of Executive Board once when a suitable project had been identified.
- 2.2 Letters were sent to over 140 community organisations across the city, seeking proposals for projects to support the reconstruction activity. In total, 9 expressions of interest and 6 project proposals were received as follows:

Organisation	Project
Islamic Relief	Reconstruction and equipping of a Middle School in Azad Jammu Kashmir
Islamic Relief	Reconstruction and equipping of a school in the region affected (more general)
United Kingdom Islamic Mission / Al Hassan Education Centre / Iqra Centre	To build and equip a hospital in Muzaffarabad
Med-Aid (Medicine, Equipment, Doctors – Ahead In Development)	Project Haven – to build a centre to house primarily physically disadvantaged children for rehabilitation
Kashmir International Relief Fund	'Rebuilding Kashmir' programme - project to rebuild a village of approx 50 homes with mosque, school, clinic etc.
Oxfam	Various education-based projects in Shangala District of North West Frontier Province

- 2.3 Following the receipt of these proposals, an all-party Elected Member Advisory Group was established to review the projects against a set of agreed criteria and to ultimately make a proposal regarding which project to support. The membership of this group consisted of:

Cllr Procter (Chair)	Conservative
Cllr Akhtar	Liberal Democrat
Cllr Hussain	Liberal Democrat
Cllr Iqbal	Labour
Cllr Rafique	Labour
Cllr Blackburn	Green
Cllr Grayshon	Morley Independent

Officer membership comprised of:

James Rogers	Chief Officer (Executive Support)
Adrian Strain	Head of International Relations
Elinor Galapitage	Performance Support Services Manager

The agreed criteria adopted by the group were that the selected project must:

- 1) Be in the area affected by the earthquake
- 2) Be sustainable and provide a long-term response
- 3) Include construction of a building / asset
- 4) Be in partnership with a reputable organisation
- 5) Operate transparent and effective monitoring arrangements
- 6) Operate in a fair and equitable manner to allow access to all.

2.4 In addition, officers contacted relevant organisations such as the Pakistan High Commission and the organisation established in Pakistan by the government to oversee and coordinate the reconstruction work – the Earthquake Reconstruction and Rehabilitation Authority (ERRA). Advice and information from these organisations indicated that any assistance would be helpful and there was no particular view regarding the type or location of the project.

3 Main issues

3.1 The Elected Member Advisory Group met on several occasions and received presentations from the four shortlisted organisations which best met the criteria. These were Islamic Relief, Med-Aid, Kashmir International Relief Fund and representatives from the United Kingdom Islamic Mission, Al Hassan Education Centre and the Iqra Centre.

3.2 After detailed consideration, the Advisory Group propose that the council support the project to build and equip a hospital in the centre of Muzaffarabad. All projects were worthwhile and it was a difficult task to choose between them. However, this project was recommended by the Advisory Group for the following key reasons:

1) The project is supported by an internationally recognised and reputable charity – the United Kingdom Islamic Mission.

2) The project is also supported by reputable local organisations – the Al Hassan Education Centre and the Iqra Centre.

3) It has been agreed that the key link will be with the Al Hassan Education Centre, a registered charity, which will provide regular progress reports and evidence of work on site in order to draw down the funding.

4) Additional funding has also been collected by the partner organisations to a total of approximately £400,000 which will ensure that the project will be completed and the ongoing costs will be met by the Pakistan government.

3.3 Therefore, it was felt that this project best met the criteria in terms of being sustainable and providing a long-term solution to the needs of people living in the affected area.

3.4 Since this conclusion was reached, officers have met with representatives from the Al Hassan Education Centre to draw up a draft grant agreement.

4 Legal and resource implications

4.1 Earlier considerations of this matter have identified that up to £50,000 would be provided by the council to support the agreed project. A total of £6,128.94 has been

raised following fundraising activities by council staff and, therefore, the level of resource required is £43,871.06.

- 4.2 The grant will be funded from the contingency scheme within the capital programme. Under the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, expenditure falls to be treated as capital expenditure if it is incurred on works to any land or building in which the Council does not have an interest provided that it would rank as capital expenditure if the Council had an interest in it.
- 4.3 Section 2 of the Local Government Act 2000 allows the Council to do anything (including giving financial assistance to any person) that it considers is likely to achieve the promotion of the economic, social or environmental well-being of Leeds, or of any persons resident or present in Leeds. In addition, provided that it will achieve one of those objectives, the Council also has the power to do anything in relation to or for the benefit of any person or area outside Leeds.
- 4.4 In relation to social well-being, and in particular social identity, the Local Government Act 2000 was intended to define the Council as a community leader, and it would seem to be responsible community leadership for the Council to make a donation for relief in respect of the earthquake, particularly given the feelings of sympathy and a desire to help which have been expressed by people living and working in Leeds.
- 4.5 Section 137 of the Local Government Act 1972 allows the Council to incur expenditure on contributions to a fund that has been raised in connection with an event directly affecting persons resident in the United Kingdom on behalf of whom a public appeal for contributions has been made by the chairman of a principal council.
- 4.6 Section 1 of the Local Government (Overseas Assistance) Act 1993 allows the Council to provide advice and assistance to a body which is engaged outside the United Kingdom in activities that are the equivalent or are comparable to the activities of local authorities in the United Kingdom. Whilst the Act does not allow the Council to make grants or loans, guidance issued by the Department of the Environment makes it clear that the Council is allowed to act as a channel for conveying funds collected for charitable purposes to a body overseas.
- 4.7 The Al Hassan Education Centre is a UK based registered charity which has the objects of the relief of poverty and of people who are aged, ill or disabled, the advancement of education, the advancement of religion, and other purposes beneficial to the community. Following the earthquake, the Centre has agreed to work with two Pakistan based charities (Al-Khidmat and Pakistan Islamic Medical Association) and assist them in building and equipping a hospital in Muzaffarabad to replace a hospital which was destroyed in the earthquake.
- 4.8 In so far as making the proposed grant to the Al Hassan Education Centre does not fall within the Council's powers under section 2 of the Local Government Act 2000, Legal and Democratic Services have advised that it falls within the Council's powers under section 137 of the Local Government Act 1972 and section 1 of the Local Government (Overseas Assistance) Act 1993.

5 Recommendations

- 5.1 a) That Executive Board endorse the proposal of the Elected Member Advisory Group to support the project to build and equip a hospital in Muzaffarabad and in so doing
- b) approve funding toward this capital scheme of £43,871.06 and give authority to spend the full £50,000 of grant payments from the capital programme, to be funded

from fund raising (£6,128.94) and an allocation of Leeds capital resources (£43,871.06);

- c) authorise the Chief Officer (Executive Support) to agree the terms of and complete the grant agreement and the payment of funds.