

Stourbridge Area Committee – 21st January 2008

Report of the Director of Finance

Stevens Park and Recreation Ground Foundation Trusts
Application for Grants

Purpose of Report

1. To consider the following request for an application for funding from the Trust.

Background

2. Ernest Stevens made various donations of property to the Council, which were to be used for specific purposes. These have been identified as individual Trusts and detailed below:
 - a.) Mary Stevens Maternity Home and Public Park Charity.
 - b.) Mary Stevens Park, Recreation Ground and Park, Norton.
 - c.) Stevens Park, Quarry Bank.
 - d.) Stevens Park and Recreation Ground Foundation, Wollescote
3. Only the Stevens Park and Recreation Ground Foundation has investments, which generate income for disbursement.
4. Members will be aware that the four Ernest Stevens Trusts are now combined under the control of this Committee.
5. The annual income of the Stevens Park & Recreation Ground Foundation Trust may be applied under the terms of the Trust Deed in one or more of the under-mentioned ways: -
 - a) the maintenance and improvement of the property for the time being belonging to the Foundation;
 - b) the acquisition and layout of additional land to be held in Trust;
 - c) the maintenance and the improvement of property held under the terms of the original Trusts dated 6th December 1929 and 13th February 1931.
 - d) the provision of facilities for recreation or other leisure time occupation with the object of improving the conditions of life of residents in the area of the former borough of Stourbridge.

6. In so far, in the opinion of the Council, that the net income of the Trust cannot be usefully and beneficially applied in accordance with the provisions in the foregoing paragraph, it may be applied for such other charitable purposes for the benefit of persons resident within the area of the former Borough of Stourbridge as the Council may determine.
7. In the application of the income of the Foundation, the Council should give preference to the area of the former Urban District of Lye and Wollescote and to meeting the needs of the people resident therein.
8. There is no set maximum amount stipulated in the Trust deed for a grant. However, in the past, the Trustees have tended to apply the criteria that the grant should be a maximum of £5000 or 50% of the total cost of a capital project
9. Application by Stourbridge Cyberbus Project:

Stourbridge Cyberbus Project is a mobile provision for young people based at Valley Road Youth & Community Centre, Lye, but covering Norton, Pennfields, Withymoor & Rufford. Its aims are to engage with young people aged between 13 and 19 years old who are at risk from anti social behaviour and social exclusion within Stourbridge

The numbers of people benefiting from the project are 30 from the Lye and Wollescote and between 100 and 200 from Stourbridge.
The Project is requesting a grant of £5,000 towards the revenue expenditure of driver's costs totalling £9,750 to enable the Cyberbus to be out 3 nights a week.

The club is raising funds from neighbourhood policing.
Youth Opportunities Fund bids have been made for additional equipment, and staffing costs are met by Dudley MBC

The Club has supplied a copy of the accounts for the year to 31st March 2007. The accounts show that during the year ended 31st March 2007 the Project's net outgoing was £15,234 (£6,156 in 2006).
The current assets held as at 31st March 2007 are £5,654, made up mainly of money held in bank accounts.

Attention should be drawn to the criteria that the Trustees should give preference to applications which are of a capital nature, and that grants are normally only awarded of up to 50% of the cost of the project.
This is a revenue application, and it is therefore recommended that if this is approved, it is on the basis of a 'one-off' contribution only, in order to avoid any ongoing commitments, and that the Cyberbus Project should seek alternative funding arrangements in future.

Finance

10. The Trust income for 2006/7 is summarised as follows:

| | |
|-------------------|---------------|
| | £ |
| Investment Income | 16,542 |
| Rental Income | <u>1,116</u> |
| | <u>17,658</u> |

It is anticipated that the income for 2007/8 will not change significantly.

11. Grants totalling £10,000 have been awarded in this financial year
12. At a previous meeting of the former Finance (*Stevens' Bequests*), Sub-Committee, Members agreed to maintain the "real" spending power of the bequest as a fundamental part of the investment strategy. The total sums shown in Paragraph 9 above could be spent without jeopardising the strategy. However, should the value of the investment fall, any income then generated would need to be reinvested and would not be available for disbursement. The market values of the investments are:-

| | Original Value £ | Current Value 31.03.2007 £ |
|-----------------------|----------------------------|-------------------------------------|
| COIF - Fixed Interest | 118,000 | 121,362 |
| - Equity Based | 118,000 | 224,418 |
| | <hr/> 236,000 <hr/> | <hr/> 345,780 <hr/> |

Short-term investments are also held to provide some flexibility in the event of an unusually high level of bids in any year.

Law

The Council is successor to the former Stourbridge Council by virtue of the Local Government Act 1972.

Section 139 of the Local Government Act, 1972 empowers the Council to accept, hold and administer gifts of property, where it enables them to discharge any of their functions, and where the gifts are for the purposes of benefiting the inhabitants of their area

The conditions under which a gift is to be administered, are contained in the Deed creating the Trust, and any subsequent schemes made by the Charity Commission.

The law relating to Trusts, which are charitable, is contained in various acts, the main ones being the Charities Act, 1960, the Charities Act 1992 and 1993, and the Trustee Investment Act, 1961

Equality Impact

- . The Trusts have been set up to benefit the public of the Borough or certain geographical areas of the Borough as outlined in the Deeds of Gift

Recommendation

- . It is recommended that: -

The Committee consider the funding applications detailed in Paragraph 9



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Director of Finance

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List of Background Papers

Letter ,Application Form 25/09/07 and general information
Financial Statements 30/09/06