

## **Meeting of the Cabinet – 25<sup>th</sup> February 2013**

### **Report of the Cabinet**

#### **Ernest Stevens Trusts Management Committee**

#### **Purpose of Report**

1. To consider governance arrangements for the future management and administration of the Ernest Stevens Trusts.

#### **Background**

2. On 26<sup>th</sup> November, 2012, the Council approved a report on the annual review of the Constitution. The report contained reference to the need for consideration of the arrangements for the future administration of the Ernest Stevens Trusts within the Council's overall Constitution and governance arrangements.
3. The Council is the Trustee and, in recent years, the four Ernest Stevens Trusts have been combined under the delegated powers and terms of reference of the Stourbridge Area Committee. The Area Committees have now been replaced by Community Forums.
4. Ernest Stevens made various donations of property, which were to be used for specified purposes. These have been identified as individual Trusts and detailed below:
  - i. Stevens Park, Quarry Bank.
  - ii. Mary Stevens Park, Recreation Ground and Park, Norton.
  - iii. Stevens Park and Recreation Ground Foundation, Wollescote
  - iv. Mary Stevens Maternity Home and Public Park Charity
5. Only the Stevens Park and Recreation Ground Foundation, Wollescote, has investments, which generate income for disbursement resulting from the decision to exchange the Hob Green Farm gifted in the original deed dated 29<sup>th</sup> September 1930 for Jordan Field and £88,500.
6. The original deed of gift was to the Urban District Council of Lye and Wollescote and was varied by a scheme dated 24<sup>th</sup> May 1966. This allows the net income of the Stevens Park and Recreation Ground Foundation to be applied in the following ways:
  - a) Maintenance of the Stevens Park and Recreation Ground Foundation property.
  - b) Acquiring property for the Stevens Park and Recreation Ground Foundation.

c) Maintenance of property in gifts dated:-

6<sup>th</sup> December 1929      Mary Stevens Park

13<sup>th</sup> February 1931      Mary Stevens Home and Public Park.

d) The provision of facilities for recreation or other leisure time occupation, being facilities provided with the object of improving the conditions of life for persons resident in the Borough of Stourbridge (see paragraph 9).

e) If the net income of the Trust cannot be applied in accordance with a)-d) above, it can be applied for other charitable purposes for the benefit of persons resident in the Borough of Stourbridge.

7. In 2001, the Charity Commission confirmed the opinion that because the Council uses its mainstream budget to maintain all the property in the trusts, it is permitted to give grants under paragraph (e) above.
8. In applying the money the Trustees shall give a preference to the area of the former Urban District of Lye and Wollescote and to meeting the needs of the people resident therein.
9. The Borough of Stourbridge relates to the boundaries in 1966, which currently covers the wards of Pedmore & Stourbridge East, Norton, Wollaston and Stourbridge Town, Lye and Stourbridge North and Cradley and Wollescote. Stevens Park, Quarry Bank is geographically located in the Quarry Bank and Dudley Wood ward.
10. Before the creation of Area Committees, under the provisions of the Local Government Act 2000, the delegated powers for the administration of the Trusts were the responsibility of the former Finance Committee. A Sub-Committee of the Finance Committee was established to administer the affairs of the Trusts. Members may now wish to consider reverting to a similar position to that which existed prior to the establishment of the Area Committees, by the establishment of a separate Management Committee to administer the affairs of the Ernest Stevens Trusts.
11. Any such Committee established by the Council will be subject to the proportionality rules set out in the Local Government and Housing Act 1989. To reflect the geographical areas covered by the Trusts, it is recommended that the Management Committee comprise six elected members, one each from the six wards referred to in paragraph 9 above.
12. Attached as Appendix 1 are the proposed terms of reference for the Ernest Stevens Trusts Management Committee based on the terms of reference of the former Finance Sub-Committee that existed prior to the Area Committee structure being adopted.
13. On 12<sup>th</sup> February, 2013, the Cabinet considered a report on the proposed establishment of the Management Committee and the recommendations are set out below.

## **Finance**

14. This report sets out proposals for the future administration of the Ernest Stevens Trusts, including the financial affairs of the Trust.

## **Law**

15. The Council is successor to the former Stourbridge Council by virtue of the Local Government Act 1972.
16. 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.
17. The conditions under which a gift is to be administered, are contained in the Deeds creating the Trusts, and any subsequent schemes made by the Charity Commission.
18. 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.
19. The power to appoint Committees and to delegate functions to Committees and Officers is set out in Sections 101 and 102 of the Local Government Act 1972. The rules on proportionality are contained in the Local Government and Housing Act 1989 and associated regulations.

## **Equality Impact**

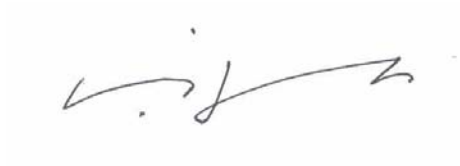
20. The Trusts were set up to benefit members of the public living in certain geographical areas of the Borough as outlined in the Deeds of Gift. There are no specific implications for children and young people arising from this report.

## **Recommendations**

21. That an Ernest Stevens Trust Management Committee be established with the terms of reference set out in Appendix 1.
22. That the Committee comprise a total of six Members, with one Councillor being appointed to represent each of the following wards in accordance with the overall political balance requirements of the Local Government and Housing Act 1989 (currently Labour 4; Conservative 2) :-

Cradley and Wollescote  
Lye and Stourbridge North  
Norton  
Pedmore and Stourbridge East  
Quarry Bank and Dudley Wood  
Wollaston and Stourbridge Town

23. That the Chair and Vice-Chair and Members be appointed to serve on the Committee for the remainder of this municipal year based on the nominations submitted to the Director of Corporate Resources by the two Group Leaders.
24. That no special responsibility allowances be paid to the Chair and Vice Chair of the Committee pending a review of the Members Allowances Scheme during 2013.

A handwritten signature in black ink, appearing to be 'J. J. J.', is written on a light blue background.

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**Leader of the Council**

**Ernest Stevens Trust Management Committee**

**Terms of Reference**

1. To consider and determine all matters that are the responsibility of the Trustee and which fall within the following terms of reference: -
  - (1) The administration of the Mary Stevens Park Trust (Quarry Bank) as regulated by the Deed of Gift dated 29<sup>th</sup> January, 1921.
  - (2) The administration of Mary Stevens Park Trust (Norton) as regulated by the Deed of Gift dated 6<sup>th</sup> December, 1929.
  - (3) The administration of the Stevens Park and Recreation Ground Foundation Trust Wollescote as regulated by Deed of Gift dated 29<sup>th</sup> September, 1930 and by the Scheme of the Secretary of State under Section 18 of the Charities Act, 1960 on 24<sup>th</sup> May, 1966.
  - (4) The administration of the Mary Stevens Maternity Home and Public Park Charity as donated by the Deed of Gift dated 13<sup>th</sup> February, 1931, and regulated by the scheme of the Secretary of State under Section 18 of the Charities Act, 1960 on 3<sup>rd</sup> October, 1989.
2. To make recommendations to the Council on any matters relating to the Ernest Stevens Trusts which do not fall within the above terms of reference and which are not delegated to the Committee.