

Stourbridge Area Committee – 28th June 2010

Report of the Treasurer

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 15th Stourbridge (Norton St. Michael's) Scout Group:

The Scout Group aid the development of young people (aged 6 – 25 years) to achieve their full physical, intellectual, social and spiritual potential through enjoyable and attractive activities organised with the assistance of volunteer, qualified trainers and leaders.

The group is requesting a grant of £5,000 towards the redevelopment of a new combined Baden-Powell Community centre / Scout and Guide Headquarters. Existing premises are no longer fit for purpose, being in a dilapidated state and requiring continuous and expensive repair. Their proposal, and after all options have been considered, is for the demolition of existing buildings and construction of an entirely new larger building (the 'Baden-Powell Community Centre') that would be more appropriate to its users with better access, security, kitchen facilities and storage.

The estimated full cost of the proposed rebuild is in excess of nearly £200,000; thus far the group have identified funding of nearly £163,000 including significantly a grant of £100,000 from Cory Environmental Trust. That award requires 3rd party contributions of 10% (or £10,000) as match funding, of which this application forms part.

They estimate that over 150 members (Scouts and Guides) will benefit directly from the proposed development (from the Stourbridge area), along with several other Community Associations.

The Group has supplied a copy of the accounts for the year to January 2010. The accounts show that the group is of relatively modest means, having incurred a small deficit during that last year and with less than £4,000 in the bank.

The Trust were last awarded a grant from this Trust in June 2005 for £500 towards camping equipment.

Finance

10. The Trust income for 2009/10 is summarised as follows (figures subject to audit):

	£
Investment Income	15,665
Rental Income	<u>1,116</u>
	<u>16,781</u>

It is anticipated that the income for 2010/11 will not change significantly.

11. There have been no grants awarded so far this 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 (figures remain subject to audit):-

	Original Value	Current Value 31.03.2010
	£	£
COIF - Fixed Interest	118,000	122,682
- Equity Based	118,000	190,152
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	236,000	312,834
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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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Iain Newman
Treasurer

Contact Officer: Diane Robbins, Principal Accountant
Telephone: 01384 814816
Email: diane.robbsins@dudley.gov.uk

List of Background Papers

Application Form 31/05/10 and general information