

**DUDLEY METROPOLITAN BOROUGH COUNCIL**

**STOURBRIDGE AREA COMMITTEE -  
9<sup>th</sup> FEBRUARY 2004**

**REPORT OF THE DIRECTOR OF FINANCE**

**Wards affected  
Pedmore &  
Stourbridge East,  
Norton, Wollaston  
and Stourbridge  
West, Lye and  
Wollescote**

**GRANT APPLICATIONS:       STEVENS PARK AND RECREATION  
GROUND FOUNDATION TRUST**

**1.0     PURPOSE**

- 1.1     Members of the Committee are asked to consider the following application for funding from the Trust.

**2.0     BACKGROUND**

- 2.1     Members will be aware that of the four Ernest Stevens Trusts now combined under the control of this Committee, only one, the Stevens Park and Recreation Ground Foundation Trust, has funds available for disbursement for charitable purposes.
- 2.2     The annual income of the Fund may be applied under the terms of the Trust Deed in one 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 the property held under the terms of the original Trust;
  - (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.
- 2.3     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.

- 2.4 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.
- 2.5 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 £5,000 or 50% of the total cost of a capital project.

### 3.0 PROPOSALS

- 3.1 That the committee considers the following application:-

- **Wollescote St Andrew's Scout Group**

The applicant is a scout group, subject to the rules and policies of the Scout Association. It's aim is to promote the development of young people to become responsible citizens within their communities. It currently has 63 members from the Lye and Wollescote area.

It is requested that the committee consider the request for £5000 for the roof replacement at their headquarters situated off the Queensway, Wollescote. An estimate for this work totalling £12478.50 including VAT has been obtained. Further funding of £5000 was awarded from the Capital allocations budget of this committee at the meeting on 10<sup>th</sup> December 2003.

The applicant has submitted its annual accounts to 31<sup>st</sup> December 2002 (*Appendix 1*). The accounts show a surplus for the year of £362 and £4835 held in bank accounts.

### 4.0 FINANCE

- 4.1 The Trust income for 2002/03 is summarised as follows: -

	£
Investment Income	16,577
Rental Income	1,116
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	17,693
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It is anticipated that the income for 2003/04 will be maintained at this level. Grants totalling £5528 have been awarded in 2003/04 to date.

- 4.2 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 4.1 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:-

	<b>Original Value</b>	<b>Current Value 31.12.2003</b>
	<b>£</b>	<b>£</b>
COIF - Fixed Interest	118,000	128,029
- Equity Based	118,000	162,646
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	236,000	290,675
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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.

The share valuation is at mid price and was obtained from CCLA Investment Management Ltd.

## **5.0 LAW**

- 5.1 The Trust is administered in accordance with the Trust Deed and as Trustees, the Council is under a fiduciary duty to ensure that the annual income of the Trust is properly applied for the purposes identified in the Trust Deed.

By virtue of a scheme dated the 24<sup>th</sup> May, 1966, made by the Secretary of State for Education and Science, the Trust income can be applied for the maintenance and improvement of property donated by Earnest Stevens, the acquisition and laying out of additional land and the provision of facilities for recreation or other leisure time occupation for the residents of Stourbridge. Furthermore, if the Council is satisfied that the income cannot be usefully and beneficially applied in accordance with the above purposes, it can be applied for other charitable purposes for the benefit of persons resident in Stourbridge.

## **6.0 EQUAL OPPORTUNITIES**

- 6.1 This report has no direct equal opportunities implication.

## **7.0 RECOMMENDATION**

- 7.1 It is recommended that members consider the funding application detailed in this report in the light of available funds.

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**DIRECTOR OF FINANCE**

**Contact Officer: Diane Robbins - Ext. 4816**

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## **BACKGROUND PAPERS**

Completed Grant application questionnaire.

Letter from applicant.

Annual accounts to 31<sup>st</sup> December 2002

Extract from Scout book re Constitution of the Scout Group

Quotation