

Stourbridge Area Committee – 19th June 2006

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 The Friends of Mary Stevens Park**

The applicant is a body which works in coordination with the local authority and other relevant bodies to provide facilities on The Mary Stevens Park for the benefit of the public & to protect the environment. It currently has 100 members and meets regularly at the Crystal Leisure Centre. A request is made for £1500 grant towards the total cost of £6500 to erect iron railings. A quotation has been obtained for the project from J.L.H. (Engineering)Ltd. The balance of the cost will be met from a grant awarded from this Committee's Capital Allocations in February 2006.

Accounts for the year to 31st March 2005 have been submitted with the application which show a surplus of £4050.50 which is held in two bank accounts.

Finance

10. The Trust income for 2005/6 is summarised as follows:

	£
Investment Income	15472
Rental Income	<u>1116</u>
	<u>16588</u>

It is anticipated that the income for 2006/7 will not change significantly.

11. No grants have been awarded in this financial year
12. A grant of £5000 which was previously awarded to Norton St Michaels Scout Group has not been taken up due to other funds required for the project not

being achieved to date. These funds will now be available for any further applications in addition to the current year's income. The Scout Group will make a further application at a later date.

13. 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 8 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 31.03.2006
	£	£
COIF - Fixed Interest	118,000	129,096
- Equity Based	118,000	214,063
	236,000	343,159
	236,000	343,159

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

Law

14. The Council is successor to the former Stourbridge Council by virtue of the Local Government Act 1972.
15. 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.
16. 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.
17. 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

18. 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

19. It is recommended that: -
- a.) The Committee consider the funding applications detailed in Paragraph 9 .



.....
for Director of Finance

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

List of Background Papers

Application Form
Accounts to 31st March 2005
Copy Bank statements
Quotation