

<u>Meeting of the Ernest Stevens Trust Management Committee - 23rd</u> February, 2022

Report of the Director of Regeneration and Enterprise

<u>Mary Stevens Café, Mary Stevens Park, Worcester Street, Stourbridge</u> <u>DY8 2AD – Lease Renewal</u>

Purpose

1. To consider the lease renewal of the Café within Mary Stevens Park, Worcester Street, Stourbridge.

Recommendations

- 2. It is recommended that :-
 - The Committee approve the grant of a lease renewal of the café to the current tenants Smiths Developments Limited on the terms set out, on behalf of the Council in their capacity as trustees.
 - The Lead for Law and Governance be authorised to complete the lease.

Background

3. Mary Stevens Park is part of the Ernest Stevens Trust and Dudley Borough Council is the Trustee. The function of the Trustee has been delegated to the Ernest Stevens Trusts Management Committee by the Council's constitution.

The current tenant Smiths Developments limited has leased the café from the council since July 2015 at a rent of £12,000pa, and has successfully built up the business within the park. This lease expired in July 2020 and the tenant has remained in occupation holding over on the terms of the original lease.

The lease was not renewed at the time due to the ongoing pandemic introducing a period of uncertainty.



The tenant now wants to renew and terms for the renewal have been negotiated for a 5 year lease backdated to 8 July 2020 at a rent of £14,000pa. The tenant will be responsible for all repairs to the building. The lease will be outside the landlord and tenant act 1954 and further is subject to 6 months notice to break from the tenant in recognition of the ongoing business uncertainty being caused by the pandemic.

The café operation will remain as previously, open 7 days a week between 8am and 6pm in the summer and 10am and 4pm in the winter which correlates to the park opening times.

This proposal allows a successful business to remain operational within the park providing a service to park users. The income is credited to the Ernest Stevens Trusts accounts and the operating and running costs for the café are borne by the café operator.

Finance

4. The proposed lease renewal will result in annual rental income of £14,000, which will be credited to the Parks Development Account, specifically relating to Mary Stevens Park, and will contribute toward the running costs of the Park. This income will be included and reported within the annual Trust accounts for Mary Stevens Park (charity no 523195).

Law

5. The Council is the registered Trustee of the charity and in accordance with the Council's Constitution has delegated the administration of the charity to this Management Committee.

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 Law relating to Trusts which are charitable is contained in various legislation. The key legislation being the Charities Acts 1960, 1992, 1993, 2011 and the Trustees Investment Act 1961.

Risk Management

6. The proposals in this report do not lead to any material risks.

Equality Impact

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



Human Resources/Organisational Development

8. The proposals in this report do not have any organisational development / Human Resources implications.

Commercial/Procurement

9. Activity is subject to the conditions set out in the Deeds creating the Trusts and any subsequent schemes made by the Charity Commission.

Council Priorities

10. The aims of the Trusts include the provision of facilities for recreation or other leisure time occupation with the object of improving the conditions of life, or such other charitable purposes as the Council may determine. This will contribute to Council Plan objectives to Grow a Strong Visitor Economy, Develop Green Space and Reduce Social Isolation.

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List of Background Documents

Appendix 1 – Plan, Café lease Mary Stevens Park

