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JEDBURGH COMMON GOOD SUB-COMMITTEE WEDNESDAY, 29TH JUNE, 2016

A MEETING of the JEDBURGH COMMON GOOD SUB-COMMITTEE will be held in COMMITTEE ROOM 3, COUNCIL HEADQUARTERS, NEWTOWN ST BOSWELLS on WEDNESDAY, 29TH JUNE, 2016 at 9.00 AM

J. J. WILKINSON,
Clerk to the Council,

22 June 2016

BUSINESS		
1.	Apologies for Absence.	
2.	Order of Business.	
3.	Declaration of Interests.	
4.	Discharge and Grant of New Standard Security at 15 Abbey Place, Jedburgh (Pages 1 - 4) Consider report by Service Director Regulatory Services. (Copy attached.)	20 mins
5.	Application for Financial Assistance. (Pages 5 - 12) Consider a request for financial assistance received from the Jethart Callant's Festival. (Copy application attached.)	10 mins
6.	Any Other Items Previously Circulated.	
7.	Any Other Items which the Chairman Decides are Urgent.	

NOTES

1. Timings given above are only indicative and not intended to inhibit Members' discussions.
2. Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.

Membership of Sub- Committee:- Councillors J. Brown (Chairman) , S. Scott, R. Stewart,
Community Councillor Mr H. Wight.

Please direct any enquiries to Fiona Henderson Tel. 01835 826502.
E-mail: fhenderson@scotborders.gov.uk

DISCHARGE AND GRANT OF NEW STANDARD SECURITY AT 15 ABBEY PLACE, JEDBURGH

Report by Service Director Regulatory Services

JEDBURGH COMMON GOOD SUB COMMITTEE

29 June 2016

1 PURPOSE AND SUMMARY

- 1.1 This report proposes to advise the Jedburgh Common Good (JCG) of the implications of discharging the Jedburgh Community Trust (JCT) standard security relating to 15 Abbey Place, Jedburgh and the granting of a new standard security by the Jed Shed in relation to the loan for 15 Abbey Place. This report shall also advise on the possible consequences for the JCG if the Jed Shed ceases trading after transfer of the loan.**
- 1.2 At the JCG meeting on 16 September 2015, Community Councillor Wight raised the matter of whether the JCG could allow the transfer of a loan from JCT to the Jed Shed in relation to 15 Abbey Place, Jedburgh. Thereafter at the JCG meeting on 9 December 2015 Councillor Stewart asked for further information to be provided on the consequences for the JCG if they agreed to transfer the loan but the Jed Shed then ceased trading.
- 1.3 The purpose of this report is to detail the legal issues concerning the proposals in order that the Sub-Committee can determine how to proceed.

2 RECOMMENDATIONS

It is recommended:

- (a) That the Committee notes the process for discharging and granting standard securities as detailed in this report;**
- (b) That in the event of the submission of a formal application from the Jed Shed to the JCG for the transfer of the existing loan in favour of JCT, the Committee satisfies itself as to the financial standing of the applicant;**
- (c) That if the JCG then approves such application, the JCG should discharge the existing security over 15 Abbey Place, subject to receipt by JCG of a valid first ranking standard security from the Jed Shed in its favour.**

3 BACKGROUND

- 3.1 The JCG provided a loan to the Jed Shed in 2014 to assist with the start-up costs of their project. The project has been very successful, with the group outgrowing their current premises.
- 3.2 The Jed Shed is looking to purchase the premises known as 15 Abbey Place, Jedburgh, being the former Band Hall premises. This property is currently owned by the JCT.
- 3.3 There is a standard security over 15 Abbey Place, which was granted in favour of the Scottish Borders Council (SBC) acting as trustees for the JCG by the JCT in 2003 in consideration for the payment by the JCG to the JCT of a loan of £15,000.

4 CURRENT PROPOSAL

- 4.1 It was suggested by Mr Hugh Wight at the JCG meeting of 16 September 2015 that the loan in favour of JCT could be transferred to the Jed Shed.
- 4.2 The minute from the first aforementioned meeting suggests that it is the desire of both the Jed Shed and the JCT for the loan to be transferred from the JCT to the Jed Shed. The JCG therefore requires to decide whether it is agreeable to the transfer of the loan.
- 4.3 In order to secure the transferred loan, on the sale of the property, the existing standard security by JCT would be discharged by JCG and a replacement security granted by the Jed Shed.

5 HOW THE JED SHED IS CONSTITUTED

- 5.1 The Jed Shed has recently established itself as a Scottish Charitable Incorporated Organisation (SCIO).
- 5.2 A SCIO is a corporate body which has its own legal entity, and the same rights, protections, privileges, responsibilities and liabilities that an individual would have under law. Therefore a SCIO has the ability to enter into contracts, employ staff, incur debts, own property, sue and be sued, just like a natural person. All transactions of a SCIO are undertaken in the name of the SCIO and not the charity trustees.

6 CEASING TRADING/DISSOLVING THE SCIO

- 6.1 A concern was raised by Councillor Stewart as to what would occur if and when the Jed Shed were to cease trading. A SCIO can only cease to exist if it is removed from the Scottish Charity Register (the Register). Such removal can only be done if the SCIO is dissolving.

6.2 A SCIO can apply either for solvent dissolution or insolvent dissolution.

- (a) If a SCIO is solvent it must provide evidence to OSCR, before winding up is authorised, that it has settled all outstanding liabilities and has no remaining assets. Once OSCR is satisfied that the SCIO has wound up its affairs it shall be removed from the Register and therefore dissolved. This would include repayment to the JCG of the loan.
- (b) If a SCIO is insolvent it can still apply for dissolution and removal from the Register but it must also provide a resolution that the SCIO is to be sequestrated (declared bankrupt). The sequestration process would involve the Accountant in Bankruptcy (AiB) establishing the SCIO's assets and liabilities, and making payments to the creditors if there are sufficient funds to do so. In distributing the assets of the dissolved SCIO, the JCG would, as currently the only secured creditor to the sum of £15,000, rank above any unsecured creditor and any subsequent secured creditors. This means that, on sale of the property at 15 Abbey Place by the AiB, JCG would be repaid before all other parties.

7 IMPLICATIONS

7.1 Financial

The financial consequences of allowing a transfer of loan from JCT to the Jed Shed (in consideration of the granting of a first ranking security to JCG over the subjects at 15 Abbey Place) are as follows:-

- (a) If the Jed Shed wishes to sell on the subjects at any point, it will require to repay the loan to JCG first.
- (b) If the Jed Shed for any reason dissolves, the process of dissolution will result in a repayment of the loan to JCG, or a sale of the secured subjects (which will result in repayment to JCG of the loan sum, provided the sale realises this value).

7.2 Risk and Mitigations

- (a) The risk of proceeding with the transfer of the loan and therefore the discharge of the current standard security and the granting of a new security by the Jed Shed are detailed above at paragraph 4.1.
- (b) If the proposal does not proceed but the sale of 15 Abbey Place does proceed, the JCT would be required to return the £15,000 loan to the JCG. Therefore there are no perceived risks to JCG of not proceeding with the proposal. However, there is a risk to the Jed Shed in that they may have insufficient funds to operate from their new premises.

7.3 Equalities

It is anticipated that there are no adverse equality implications arising from the proposals contained in this report.

7.4 **Acting Sustainably**

If the proposal does not proceed, it may result in the building being left unoccupied by the JCT.

7.5 **Carbon Management**

There are no significant effects on carbon emissions arising from the proposals contained in this report.

7.6 **Rural Proofing**

It is anticipated that there are no adverse effects on the rural area from the proposal contained in this report

7.7 **Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to be made to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals contained in this report.

8 CONSULTATION

The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.

Approved by

Brian Frater

Service Director Regulatory Services

Signature

Author(s)

Name	Designation and Contact Number
Karen Scrymgeour	01835 824000 (ext 5830)

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Karen Scrymgeour can also give information on other language translations as well as providing additional copies.

Contact us at Karen Scrymgeour, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA, Tel 01835 824000 (ext 5830), email Karen.scrymgeour@scotborders.gov.uk

Chief Executive
- 8 JUN 2016

Democratic Services



**Scottish
Borders**
COUNCIL

Regulatory Services

- 7 JUN 2016

Legal & Licensing

*** JEDBURGH COMMON GOOD FUND
APPLICATION FOR FINANCIAL ASSISTANCE**

<p><u>Applicant Details</u></p> <p>Name and Address of Applicant/Organisation:</p> <p>Telephone No:</p>	<p>Jethart Callant's Festival 9 Elliot Road Jedburgh TD8 6HN</p> <p>01835 863823 or 07818 654205</p>
<p>Address to which payment should be made:</p>	<p>As above</p>
<p><u>Activities</u> Please supply a brief description of the activities of your organisation and the benefits it brings to the local community:</p>	<p>3 weeks of horse rideouts, public entertainment for all ages – dances, disco, family day, swimming gala, bike run, sports, ball, ceremonial events. The Festival brings the townspeople together and generates considerable income for the town trades, as well as attracting visitors to the town.</p>
<p><u>Assistance Requested</u> Please indicate the sum requested and the purpose for which it will be used:</p>	<p>£5000 – budget attached</p>
<p>When will the donation be required:</p>	<p>June, 2016</p>
<p>If this is a one-off project then please give the following details –</p> <p>Date (s):</p> <p>Estimated total cost:</p> <p>Funds already raised by applicant's own efforts:</p> <p>Funds raised or expected to be raised from other sources (please state sources):</p>	

<p><u>Other information</u> If you have other information which you feel is relevant to this application please provide details including details of any previous assistance given:</p>	<p>The costs of running this event rise each year with supplier increases, VAT increases, etc. The Committee put together a robust fundraising plan as detailed in the budget and continues to apply a "best value" policy for contracting services required.</p>
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Declaration
I hereby make application for assistance as set out above and certify that the information I have provided is accurate

Signed:

Position Held:

Date: 25/5/2016

Note: All applications from organisations MUST be accompanied by a copy of the latest audited accounts

This completed form, accounts and any supporting details should be submitted to the relevant area office –

Scottish Borders Council Area Offices, Corporate Resources Department, Newtown Street, Duns TD11 3DT. Telephone 01361 882600. (Duns Fund).

Scottish Borders Council Area Offices, Corporate Resources Department, Albert Place, Galashiels TD1 3DL. Telephone 01896 754751. (Galashiels, Lauder and Selkirk Funds).

Scottish Borders Council Area Offices, Corporate Resources Department, High Street, Hawick TD9 9EF. Telephone 01450 375991. (Hawick, Jedburgh and Kelso Funds).

Scottish Borders Council Area Offices, Corporate Resources Department, Rosetta Road, Peebles EH45 8HG. Telephone 01721 720153. (Peebles Fund).

* Insert name of Fund.

Jethart Callant's Festival

Budget 2016

	Income		Expenditure	
Grants				
	SBC	6500	Venue Hire -non chargeable events	800
	Common Good	5000	Hire of horses	6300
Fundraising	Patrons	2600	Uniforms	650
	Raffles	400	Donations to town bands etc	1350
	Coffee morning	350	First Aid cover	800
	Magazine profit	2100	Safety barriers	1000
			Insurances	3200
			Admin expenses - postage, copying etc	300
			Awards,bunting etc	2000
			Hire of buses/transport	600
			Printing & advertising	600
			Refreshments/guests	1600
			Security	850
			Ride costs - improvements etc	600
			Contingency	500
		16950		21150

JETHART CALLANT'S FESTIVAL

ABSTRACT OF ACCOUNTS 2015

<u>Income</u>	<u>2015</u>	<u>2014</u>	<u>Expenditure</u>	<u>2015</u>	<u>2014</u>
Scottish Borders Council – Grant	£ 6500.00	£ 6500.00	Scottish Borders Council	£ 966.23	£ 943.25
Scottish Borders Council – Common Good	5000.00	4000.00	Allowances to Principals	800.82	384.91
Raffle & Donation - OAP Concert	109.50	134.99	Horses	6130.00	5808.00
Donations & Sponsors (inc. Patrons)	4897.67	4782.23	Magazine	3350.00	3250.00
Magazine Adverts	1510.00	1447.50	Dances and Discos	885.00	650.00
Magazine Sales	3307.70	3340.00	Secretary's Expenses	-----	---
Dances & Discos	255.00	425.00	Donations	2000.00	1400.00
Dolphinston Car Park	426.63	313.60	Trophics & Rosettes	1614.61	2018.73
Redeswire Badges	150.00	170.00	Redeswire Dinner - catering	1244.10	1339.80
Ball	11890.00	14976.81	Festival Lunch – catering	4115.10	3904.75
Sale of Merchandise	307.00	360.00	Ball	13733.05	14818.80
Redeswire Dinner	1257.50	1432.50	Refreshments	1167.41	1013.64
Coffec Morning	392.73	-----	Transport	490.00	310.00
Festival Lunch	4040.00	5325.00	Insurance	3135.09	3033.03
Miscellaneous – Jed's Got Talent etc.	428.32	434.80	Printing & Advertising	132.00	202.12
Scottish Widows Bank - interest	64.95	80.17	General & Sundries	4071.33	2848.42
General	1481.94	-----	Profit for Year	-----	1797.15
Loss for Year	1815.80	-----			
	£ 43,834.74	£ 43,834.74			

Jedburgh: 26th November 2015

Examined and found to be correct in accordance with the books and vouchers presented

Examiner
Treasurer

GENERAL – EXPENDITURE

Jedforest Hunt Supporters – hire of toilets	£ 350.00
Ex-Callant's Association – erecting and removing bunting	350.00
Kids' Sports/Family Day – entertainment	725.00
Bridge Systems – hire of portable radios	160.80
Ex-Callants' Association – share of cost of storage container	900.00
Laidlaw Memorial Pool – hire charge	98.00
Ernie Coe – entertainment at Redeswire Dinner	125.00
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plus sundries:	£ 2,708.80
	1,362.53
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	£ 4,071.33
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Insurance:		
Zurich Insurance	-	£ 2424.39
JW Lowland Insurance	-	710.70
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		£ 3135.09
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Allowances to Principals:		
Polypads		£ 104.40
Cap Badge		70.00
David Thomson – uniform		626.42
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		£ 800.82
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Horses:		
Ross Philips – blacksmith		£ 120.00
Peter Spence – hire of horses for Waterloo		250.00
Lasswade – hire of horses		5,760.00
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		£ 6,130.00
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GENERAL INCOME

Miscellaneous:	
Jed's Got Talent (door takings -£187.20 + Sale of juice etc. £121.12)	£ 308.32
Sale of DVD's	120.00
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	£ 428.32
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General:	
Church Collection at Kirkin	£ 173.29
Refund of wine (declaration)	30.00
Refund on hire of horses for Waterloo	250.00
Cost of replacement cap badge	30.00
Duck Race	259.00
Collection/Raffle at Family Day	739.65
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	£ 1,481.94
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Balance as at 31 st October 2014		£ 31,746.28
Made up thus:		
Scottish Widows Bank	£ 20,297.87	
Bank of Scotland Treasurer's A/c	11,448.41	31,746.28
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Balance as at 31 st October 2015		£ 29,930.48
Made up thus:		
Scottish Widows Bank	£ 20,362.82	
Bank of Scotland's Treasurer's A/c	9,567.66	29,930.48
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Less: Loss for Year	£ 31,746.28	
	1,815.80	
	<hr/>	
	£ 29,930.48	
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