

EAST AYRSHIRE COUNCIL

MEMBERS' SERVICES AND CIVIC CEREMONIAL SUB-COMMITTEE OF THE POLICY AND RESOURCES COMMITTEE - 6 NOVEMBER 2001

KILMARNOCK 400 WHISKY

Report by the Depute Chief Executive/Director of Corporate Resources

1. PURPOSE OF REPORT

- 1.1** To submit for the consideration of the Sub-Committee (i) a review of the present arrangements for the sale of the Kilmarnock 400 Anniversary Whisky; and (ii) proposals for establishing a trust to manage the disbursement of funds raised primarily through the sale of the Kilmarnock 400 Whisky.

2. BACKGROUND

- 2.1** As part of the celebrations in 1992 to mark the 400th Anniversary of the town of Kilmarnock being granted a Burgh of the Barony, John Walker and Sons Ltd., produced 1,192 bottles, each individually numbered and specially packaged. The bottles were transferred to the former Kilmarnock and Loudoun District Council for sale or for civic ceremonial purposes.
- 2.2** In addition, the former Council and John Walker and Sons Ltd., agreed in principle, that a Trust Fund be established to reflect the interest of John Walker and Sons Ltd, in sport and cultural matters and their commitment to the people of the former Kilmarnock and Loudoun District.

3. REMAINING STOCK OF KILMARNOCK 400 WHISKY

- 3.1** At the moment, it is still possible for bottles of Kilmarnock 400 to be purchased. Given that only 75 bottles remain in stock it is suggested that the Sub-Committee may wish to consider agreeing to cease the selling of these remaining bottles forthwith and agree that such bottles be used exclusively for presentation at significant civic ceremonial occasions.

4. KILMARNOCK 400 TRUST FUND

- 4.1** A draft Trust Deed was prepared by John Walker and Sons Solicitors' and initial proposals included the Trust to be called the John Walker Kilmarnock 400 Trust and included Trustees from the former Kilmarnock and Loudoun District Council and the Directors from John Walker and Sons Ltd., Kilmarnock Office.
- 4.2** In addition to the net proceeds from the special blend being contributed to the Trust, John Walker and Sons Ltd., proposed to contribute £1,000.
- 4.3** The purposes of the Trust were proposed as:-

- promoting excellence in sport and cultural pursuits amongst people resident within the Kilmarnock and Loudoun District aged below 25;
- to fund or provide scholarships, loans, grants and prizes for persons approved by the Trust in order to assist them attending any institution or course of study or training in the United Kingdom or abroad for the development of their sporting or cultural skills;
- to make contribution to, or otherwise in any way to support in any manner the Trustees may consider proper, the promotion of excellence in sports and cultural pursuits in the Kilmarnock and Loudoun District; and
- a range of ancillary powers to allow the above to happen.

4.4 Following preparation of the Trust draft Trust Deed, John Walker and Sons Ltd., underwent a business re-organisation and merger. In addition, the sale of the Whisky at that time had not progressed to the extent as was originally envisaged. Therefore, John Walker and Sons Ltd., indicated that they did not wish to progress with the Trust until they were sure that there was an appropriate amount of income worth establishing a Trust with.

4.5 The balance currently held in respect of the sale of bottles of Kilmarnock 400 Whisky is £26,083.61. This sum is held in a suspense account within the overall banking arrangements of the Council and can be released by the Director of Finance following Committee decision (Policy and Resources) as required.

5. FINANCIAL IMPLICATIONS

5.1 No specific financial implications in respect of this report but further reports will detail any financial implications to the Council in respect of any approved proposals.

6. LEGAL/POLICY IMPLICATIONS - NIL.

7. RECOMMENDATIONS

7.1 That the sale of the remaining stock of Kilmarnock 400 Whisky cease forthwith and that the remaining bottles be used exclusively for presentation to mark significant civic ceremonial occasions.

7.2 In circumstances when no Sub-Committee authority can be obtained, the decision as to when to make the presentation of the Kilmarnock 400 Whisky bottles be remitted to the Chief Executive or Depute Chief Executive/Director of Corporate Resources in consultation with the Chair of the Sub-Committee.

7.3 That the Sub-Committee recommend to the Policy and Resources Committee that the Committee agree in principle, to establishing a Trust for the

disbursement of the funds raised through the sale of the Kilmarnock 400 Whisky.

- 7.4** That the Sub-Committee recommend to the Policy and Resources Committee that it be remitted to the Depute Chief Executive/Director of Corporate Resources and the Solicitor to the Council in consultation with representatives of John Walker and Sons Ltd., to investigate the feasibility of establishing a Trust to promote the interests of the people of East Ayrshire and submit a report thereon to an appropriate meeting of the Policy and Resources Committee.
- 7.5** Otherwise, to note the contents of the report.

Fiona Lees
Depute Chief Executive/Director of Corporate Resources

1 November 2001

BW/SR

LIST OF BACKGROUND PAPERS

NIL

Any person wishing further information on this report should contact Bill Walkinshaw, Administration Manager on telephone number (01563) 576135.

Implementation Officer: Bill Walkinshaw, Administration Manager.

AGENDA