ARGYLL AND BUTE COUNCIL	**OBAN, LORN & THE ISLES AREA COMMITTEE**
LEGAL & REGULATORY SUPPORT	**11 MARCH 2026**

CHARITABLE TRUSTS, BEQUESTS AND TRUST FUNDS – DISTRIBUTION ARRANGEMENTS – MISS FLORA MCLUCAS AND MISS M M CAMERON BEQUESTS

1.0 EXECUTIVE SUMMARY

1.1 The Oban, Lorn and the Isles Area Committee are Trustees for a number of Charitable Trusts, Bequests and Trust Funds. Officers continually seek to simplify and update processes where possible to ensure ongoing compliance with the original terms of the bequests and to reduce the administrative burden of the management and distribution and ensure maximum community benefit.

1.2 This paper invites the Trustees to make awards from the Miss Flora McLucas and Miss M M Cameron Bequests.

2.0 RECOMMENDATIONS

2.1 The Oban, Lorn and the Isles Area Committee are asked to agree to award:

1. £2,539 from the Miss Flora McLucas Bequest to the Health and Social Care Partnership/Mull and Iona Community Hospital and thereafter place a moratorium on this fund; and

2. £345 from the Miss M M Cameron Bequest to the Health and Social Care Partnership/Mull and Iona Community Hospital and thereafter place a moratorium on this fund.

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3.0 INTRODUCTION

3.1 The Oban, Lorn and the Isles Area Committee are Trustees of a number of Charitable Trusts, Bequests and Trust Funds. This report invites Trustees to consider distribution proposals for two of these funds, specifically the Miss Flora McLucas Bequest and Miss M M Cameron Bequest.

4.0 RECOMMENDATIONS

4.1 The Oban, Lorn and the Isles Area Committee are asked to agree to award:

1. £2,539 from the Miss Flora McLucas Bequest to the Health and Social Care Partnership/Mull and Iona Community Hospital and thereafter place a moratorium on this fund; and

2. £345 from the Miss M M Cameron Bequest to the Health and Social Care Partnership/Mull and Iona Community Hospital and thereafter place a moratorium on this fund.

5.0 BACKGROUND

5.1 Due to the restrictive nature of certain funds there have been difficulties in identifying suitable beneficiaries. Consequently, Officers from Legal and Regulatory Support had been in dialogue with both The Scottish Charity Regulator (OSCR) and Lord Advocates Office in an attempt to establish appropriate methods of distributing these funds, specifically using provisions within the Law Reform (Miscellaneous Provisions)(Scotland) Act 1990 and The Public Trusts (Reorganisation) (Scotland) (No.2) Regulations to transfer the resources to charities and trusts that are better placed to meet the terms of each of the funds.

5.2 Largely as a consequence of the lack of associated documentation of the funds, despite making all reasonable enquiries, it has been extremely problematic to make any progress in this regard. Consequently, officers believe that progress can only now be made by preparing bespoke distribution models for both the Miss Flora McLucas and Miss M M Cameron Bequests.

5.3 The Miss Flora McLucas Bequest was established for the benefit of Dunaros, Salen and the Miss M M Cameron Bequest to Eventide Home, Salen, Mull. As of 31/03/2025 the balance of the Miss Flora McLucas Bequest stands at £2,639 which comprises of £100 restricted funds and £2,539 non-restricted. The balance of the Miss M M Cameron Bequest stands at £530 which comprises £185 restricted funds and £345 non-restricted.

5.4 The Area Committee agreed on 10 December 2025 to invite representatives from Health and Social Care Partnership to consider submitting an application form to the Miss Flora McLucas and Miss M M Cameron Bequests and that this proposal meet the terms of the fund, specifically that the resource be used to the benefit of the Mull & Iona Community Hospital this being considered an approximate modern continuation of the service offered at Salen.

5.5 Following these instructions, officers invited colleagues within the Health and Social Care Partnership to apply to both Bequests. The Partnership have now submitted a formal application seeking to use the funds to provide outside seating and planters. The project outlined within the attached application form (please see appendix 1) meets the terms of the Bequests and the funds can be competently awarded to the Mull & Iona Community Hospital.

5.6 The application form is for a total amount of £2,884, this being the amount of unrestricted funds that was reported to the Area Committee in December 2025. Should the Area Committee be minded to award the amount requested the balance of both Bequests would be limited to less than £150, this being the income generated during the financial year 2025/26. Consequently it is recommended that, to lessen the administrative burden and allow interest to be accumulated to ensure maximum community benefit at a later date, a moratorium be placed on both Bequests.

6.0 CONCLUSION

6.1 This report has outlined the current position of the Miss Flora McLucas and Miss M M Cameron Bequests and the request for support from each of these Bequests. On approving the recommendations, Trustees will provide a clear community benefit while meeting their obligation of ensuring transparent and effective governance.

7.0 IMPLICATIONS

7.1 **Policy** - Consideration of the questions raised will ensure that the intentions of the original bequests are honoured.

7.2 **Financial** - None, the Council acts as trustee for the Funds, it does not represent assets of the Council. However, there is a risk that the Council would have to repay each fund if an objection was raised as to the award/use of the funds.

7.3 **Legal** - Area Committees, as Trustees, must ensure that the distribution arrangements comply with the terms of each fund, failure to do so would result in the Council being liable.

7.4 **HR** - To proceed with reorganisation, in terms of section 10 or 11 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 would require the allocation of Officer time.

7.5 **Customer Services** – None

7.6 **Risk** – If there was an objection raised as to the use of the funds in a particular way, there is a risk that the Council could have to pay the costs themselves and repay the Trust the costs. The level of risk is considered to be acceptable.

7.7 **Climate Change** – None

7.8 **Fairer Scotland Duty** – None

7.9 **Equalities - protected characteristics** – None

7.10 **Consumer Duty –** None

7.11 **Island Communities** – None

7.12 **The Rights of the Child (UNCRC)** – None

Douglas Hendry
Executive Director with responsibility for Legal & Regulatory Support
February 2026

Policy Lead - Councillor William Sinclair

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Appendices

Appendix 1 – Application form – Miss Flora McLucas & Miss M M Cameron Bequests