

SCOTTISH BORDERS COUNCIL SELKIRK COMMON GOOD FUND SUB COMMITTEE

MINUTE of Meeting of the SELKIRK
COMMON GOOD FUND SUB COMMITTEE
held in Committee Room 2, Council HQ on
Wednesday, 21 June 2017 at 3.00 pm

Present:- Councillors G. Edgar, E. Thornton-Nicol and Community Councillor T Combe.

Apologies:- Councillor M. Ballantyne

In Attendance:- Solicitor (J. Webster), Senior Finance Officer (J Yallop), Estates Strategy
Surveyor (N. Curtis), Democratic Services Officer (F Walling).

One member of public

1. APPOINTMENT OF CHAIRMAN

Councillor Thornton-Nicol proposed and it was unanimously agreed that Councillor Edgar be appointed as Chairman of the Sub Committee.

DECISION

AGREED to appoint Councillor Edgar as Chairman of the Selkirk Common Good Fund Sub Committee.

2. MINUTE

2.1 There had been circulated copies of the Minute of 15 February 2017.

DECISION

NOTED the Minute.

2.2 With reference to paragraph 1.3 of the Minute, regarding the let of winter grazing on Selkirk Hill, the Estates Strategy Surveyor, Norrie Curtis, advised that he had contacted the tenant who had confirmed he would put 100 ewes on the ground over the period from 1 August of this year.

DECISION

NOTED

2.3 With reference to paragraph 3 of the Minute, Mr Curtis had circulated an email regarding the terms of the lease of ground from the Council to Selkirk Football Club. He agreed to clarify the fee paid for the lease.

DECISION

AGREED that the Estates Strategy Surveyor clarify the rent paid to the Council by Selkirk Football Club.

3. FINANCIAL MONITORING REPORT TO 31 MARCH 2017

There had been circulated copies of a report by the Chief Financial Officer providing the details of income and expenditure for the Selkirk Common Good Fund for the year to 31 March 2017, including balance sheet values to 31 March 2017 and proposed budget for 2017/18. Senior Finance Officer, John Yallop, highlighted the main points of the report and appendices. Appendix I to the report provided the actual income and expenditure for

2016/17. This showed a surplus of £21,557 for the year, which was £5,052 more than projected at the last meeting, due to lower than anticipated property costs and grant expenditure. A surplus of £36,943 was projected for 2017/18. Appendix 2 to the report provided a projected Balance Sheet value as at 31 March 2017. It showed a decrease in the reserves of £56,203 due mainly to the depreciation adjustment. A breakdown of the property portfolio showing actual rental income and property expenditure to 31 March 2017 and the 2016/17 depreciation charge was detailed in Appendix 3 to the report. Appendix 4 showed the value of the Newton Fund to 31 March 2017. The report explained that although the medium term, 12 month annualised return at the end of March 2017 was 2.9% against a benchmark of 4.4%, the fund's performance over a 5 year period was positive against benchmark, 4.6% against 4.5%. This was in line with the objective of the fund which "was managed to seek a minimum return of 1 month GBP LIBOR rate + 4%". At the end of March this equated to 4.3%. Appendix 5 contained a chart detailing the Newton Fund's performance over the quarter to March 2017 and also over the medium to long term. The improved performance in the last quarter had put Newton in the mid-range against its peers. However, their performance in the last two quarters of 2016 had placed Newton outside the broad range of returns generated by its peers in the last year. This had also had the effect of dragging down the medium to long term performance. Given this information, the Council's Investment advisor KPMG had been commissioned to evaluate and report on the continued suitability of the Newton Fund going forward. In a discussion of the financial report and with reference to the cash balance of £82,865 Members considered whether a further amount of cash should be transferred to the investment fund. It was agreed to review the situation following the financial report to the next meeting of the Sub Committee in September.

DECISION

(a) NOTED:-

- (i) the actual income and expenditure for 2016/17 in Appendix 1 to the report;**
- (ii) the final Balance Sheet value to 31 March 2017 in Appendix 2;**
- (iii) the summary of the property portfolio in Appendix 3;**
- (iv) the current position of the investment in the Newton Fund in Appendix 4; and**
- (v) the short, medium and long term performance of the Newton Fund against its peers in Appendix 5.**

(b) AGREED:-

- (i) the proposed budget for 2017/18 as shown in Appendix 1; and**
- (ii) to review the cash balance at the next meeting and to consider whether to transfer a further amount into the investment fund.**

4. PROPERTY

In a verbal update, and with reference to paragraph 2 of the Minute of 15 February 2017, Mr Curtis had obtained a quotation of approximately £3,200 for the required length of fencing at Linglie Farm. Members agreed that this should be implemented subject to Mr Curtis meeting the contractors on site to sense check the work required. With reference to paragraph 4 of the Minute of 15 February 2017 it was noted that the problem with the door and ramp at the Green Shed had still not been resolved and that the situation was now urgent. The discussion moved on to refer to work required to replace the pillars at

the Victoria Hall, which was being looked at within the Selkirk Conservation Area Regeneration Scheme (CARS) and for which work an estimate had been received of £22,000. The work would involve demolishing the existing pillars and rebuilding them in sandstone. Members agreed that the Common Good Fund should contribute if requested to the refurbishment of the pillars up to a maximum amount of £10,000. Mr Curtis agreed to liaise with the CARS project officer regarding this work.

DECISION

AGREED that:-

- (a) the Estates Strategy Surveyor arrange for the fencing work at Linglie Farm to be implemented;**
- (b) the necessary work on the door/ramp of the Green Hut be attended to by the Property Officer as a matter of urgency; and**
- (c) the Estates Strategy Surveyor liaise with the Selkirk CARS project officer about the work required to replace the pillars at the Victoria Hall and that, if requested, a financial contribution of up to £10,000 be provided by Selkirk Common Good towards the cost of the work.**

5. APPLICATION FOR FINANCIAL ASSISTANCE

There had been circulated copies of an application from Selkirk Football Club for a contribution of £5,000 towards the installation of floodlights at Yarrow Park. It was explained that the Club provided facilities for Junior teams aged 5 upwards, an amateur team Selkirk Victoria and the senior club which participated in the Scottish Lowland League. Floodlights at Yarrow Park would enable the club to start an Under 18's and Under 20's team. Both these age groups played their games midweek. Opportunities would also open up for other teams. The total estimated cost of the project was £58,000. A total of £3,000 had been raised by the Club and grant applications had also been made to the Scottish Football Partnership, the Weir Trust and the Community Grant Scheme. In principle Members were in support of making a contribution to the project subject to the other grant applications being successful and all the money being obtained. However, with reference to the accounts and the statement regarding the provision of facilities for Junior teams, Members also asked for clarification about the rent paid to the Senior Club by the Junior Football Club.

DECISION

AGREED:-

- (a) to defer consideration of the application from Selkirk Football Club for a grant of £5,000 towards the installation of floodlights at Yarrow Park to enable further information to be obtained; and**
- (b) that the Estates Strategy Surveyor and Democratic Services Officer seek to obtain the information requested for the next meeting.**

6. WEST PORT COMMUNITY PROJECT

The Chairman reported that he had received an enquiry from the Selkirk Incorporation of Hammermen, who were re-writing their constitution in the light of grant funding being received for the West Port Community Project. The query was whether Selkirk Common Good could take on ownership of the completed project should the Incorporation become unviable in the future. The Council's Solicitor, Jane Webster, advised that, as Common Good assets came from burghs which no longer exist, it would not be legally possible nor appropriate to take over ownership, if the situation arose. Ms Webster added that the only way for ownership to be passed to the Common Good could be for the property to be purchased rather than gifted. Members agreed that it would not be appropriate for this to

be passed to the Common Good and that, as the purpose of the project was to bring together all the crafts into one building as a museum, LiveBorders might be the more appropriate organisation to provide support to the Incorporation should this be required. Councillor Edgar agreed to report back to the Incorporation with this advice.

DECISION

NOTED that it would be neither legally possible nor appropriate for Selkirk Common Good to take ownership of the West Port Community project from the Selkirk Incorporation of Hammermen should the need arise.

The meeting concluded at 3.50 pm