

SCOTTISH BORDERS COUNCIL JEDBURGH COMMON GOOD SUB-COMMITTEE

MINUTES of Meeting of the JEDBURGH
COMMON GOOD SUB-COMMITTEE held in
MEETING ROOM 1, COUNCIL
HEADQUARTERS, NEWTOWN ST
BOSWELLS on Wednesday, 7th February
2018 at 5.30 p.m.

Present:- Councillor J. Brown (Chairman), S. Hamilton, S. Scott.
Apologies:- Community Councillor Stewart.
In Attendance: Pensions and Investment Manager, Solicitor (Karen Scrymgeour),
Democratic Services Officer (F. Henderson).
Members of the Public:- 0

1.0 MINUTE

- 1.1 There had been circulated copies of the Minute of the Jedburgh Common Good Fund Sub-Committee held on 6 December 2017.

DECISION

NOTED the Minute.

2.0 MONITORING REPORT FOR 9 MONTHS 31 DECEMBER 2017

- 2.1 There had been circulated copies of a report by the Chief Financial Officer which provided details of the income and expenditure for the Jedburgh Common Good Fund for the nine months to 31 December 2017 and full year projected out-turn for 2017/18 and projected balance sheet values as at 31 March 2018. Appendix 1 provided the projected income and expenditure for 2017/18. This showed a projected deficit of £3,366 for the year, which had not changed from that reported at the meeting held on 6 December 2017. Appendix 2 provided projected Balance Sheet value at 31 March 2018 and showed a projected decrease in the reserves of £14,966. Appendix 3 provided a breakdown of the property portfolio showing projected depreciation charges and actual property expenditure to 31 December 2017. Appendix 4 detailed the value of the Newton Fund to 31 December 2017. The Capital and Investments Manager reported that although Newton Investment had produced a positive return it was below the benchmark (0.4% against the benchmark of 1.1%). The return had been driven largely by strong equity performances, but again, hedging against losses came at a cost and negated some of the returns achieved. It was further reported that following the Council approved procurement exercise undertaken in November 2017, Kames Capital had been appointed as a new Fund Manager for Common Good and Trust Fund investments. Kames Capital offered a Diversified Income Fund, designed to give the same capital preservation and divided income structure but with a track record of better returns on capital and dividend income. The appointment of the Fund Manager was in line with the Common Good & Trusts Investment Strategy and was approved at Council on 21 December 2017. The transfer of investments from Newton to Kames would be carried out as soon as possible. The market value of the Newton Investment at this time would result in a gain or loss on investment with Newton. The full balance disinvested from Newton would be invested with Kames Capital.

DECISION

- (a) **AGREED the projected income and expenditure for 2017/18 in Appendix 1 to the Report.**

(b) NOTED:-

- (i) the projected balance sheet value as at 31 March 2018 in Appendix 2 to the report;**
- (ii) the summary of the property portfolio in Appendix 3 to the report;**
- (iii) the current position of the investment in the Newton Fund contained in Appendix 4 to the report.**

The meeting closed at 5.40 p.m.