

SCOTTISH BORDERS COUNCIL

SELKIRK COMMON GOOD FUND SUB COMMITTEE

MINUTE of Meeting of the SELKIRK
COMMON GOOD FUND SUB COMMITTEE
held in Committee Room 1, Council
Headquarters, Newtown St Boswells, TD6
0SA on Wednesday, 14 February 2018 at
3.00 pm

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

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

1. MINUTES

There had been circulated copies of the Minutes of 28 November 2017 and the Special meeting of 18 December 2017.

DECISION

APPROVED the Minutes for signature by the Chairman.

2. FINANCIAL MONITORING REPORT TO 31 DECEMBER 2017

2.1 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 nine months to 31 December 2017, full year projected out-turn for 2017/18 and projected balance sheet values as at 31 March 2018. Senior Finance Officer, John Yallop, highlighted the main points of the report and appendices. He explained the small movement in the projected income and expenditure position, detailed in Appendix I to the report, which showed a projected surplus of £25,982 for the year. The reduction from the previously projected surplus was due to the grant to the Selkirk Regeneration Company approved at the last meeting. This also affected the projected reserves, as shown in the projected Balance Sheet value to 31 March 2018 in Appendix 2, which showed a decrease of £41,976. A breakdown of the property portfolio showing projected rental income for 2017/18 and actual property expenditure to 31 December 2017 was detailed in Appendix 3 to the report. Appendix 4 showed the value of the Newton Fund to 31 December 2017.

2.2 Mr Yallop gave an update on the current position with regard to the Newton Investment. The fund produced a positive return in the quarter to 31 December 2017, albeit below its benchmark (0.4% against benchmark of 1.1%). For the second consecutive quarter the 5 year annualised return, which the fund was ultimately measured against was below benchmark (4.1% against 4.4%). 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 this Fund Manager was in line with the Common Good and Trusts Investment Strategy and was approved at Council on 21 December 2017. Mr Yallop gave an update to Members, confirming that funds had now been disinvested from the Newton Fund and invested with Kames. In consideration of the projected cash balance at 31 March 2018 of £108,847 held in the Selkirk Common Good Fund, Members agreed that an additional sum of £50k be added to the sum invested in the Kames Capital Fund.

DECISION

(a) NOTED within the appendices to the report:-

- (i) the projected Balance Sheet value to 31 March 2018 in Appendix 2;**
- (ii) the summary of the property portfolio in Appendix 3; and**
- (iii) the current position of the investment in the Newton Fund in Appendix 4.**

(b) AGREED:-

- (i) the projected income and expenditure for 2017/18 in Appendix 1 to the report as the revised budget for 2017/18; and**
- (ii) that an additional £50,000 be taken from the cash balance held by Selkirk Common Good and invested in the Kames Capital Fund.**

3. PROPERTY

- 3.1 With reference to paragraph 3 of the Minute of 28 November 2017, the Estates Strategy Surveyor, Norrie Curtis, gave a verbal update on property issues. With regard to work on the pillars at the Victoria Hall, the stone had been ordered and work would commence once listed building consent was received. Members noted that at their meeting of 21 June 2017 they had agreed a contribution of up to £10,000 for the refurbishment of the pillars which was being carried out as part of the Selkirk Conservation Area Regeneration Scheme (CARS) project. Mr Yallop was asked to liaise with officers responsible for the project regarding the timing of the payment. With regard to the fencing requirement at Linglie Farm, Mr Curtis advised that as the work had not been commenced by the appointed contractor the work order had been cancelled. Mr Curtis, the tenant and a new contractor had met on site to discuss what was required and, once a price for the work was approved, it was anticipated that work would start at the earliest time convenient to the tenant. With reference to the proposal by Scottish Water to build a new water storage facility on Selkirk Hill, Mr Curtis advised that he expected to be able to bring a full report to the next meeting of the Sub Committee; he confirmed that the tenant's agent was aware of the approach from Scottish Water. With regard to actions from the last meeting relating to the Green Hut, the Property Officer had visited the building to inspect the gutters and was awaiting a quotation for their repair. As the building occupied the whole footprint of the site, Mr Curtis was asked to approach the owners of neighbouring properties to ask for permission to gain access for maintenance of the hut and to cut down encroaching branches that were potentially damaging the roof.
- 3.2 In terms of other property issues and with reference to paragraph 4 of the Minute of 29 November 2016 regarding the let of winter grazing on Selkirk Hill, Mr Curtis explained that the Estates section were reviewing all Common Good owned land that was let for grazing, to work towards a consistent approach in terms of rent. Members agreed that the rent of the grazing on Selkirk Hill, which ran from August to the end of December, be renegotiated and put out for tender if necessary. The Chairman emphasised the importance of the tenant actually using the grazing, as in recent years this appeared not to be the case. Sheep were needed to control vegetation on the hill and to maintain its appearance and accessibility.
- 3.3 With reference to previous reports on the condition of buildings at Smedheugh Farm, Mr Curtis had met on site with the tenant. He advised that the most urgent work appeared to be related to the electrical wiring in the steading. Members agreed that quotes should be sought for the work required. It was also agreed that quotations be refreshed for repairs to the gutters and downpipes on the straw shed. Discussion continued on the

responsibilities for maintenance and repair which lay with the landlord and tenant respectively. In particular there was reference to the apparent regular occurrence of vehicles leaving the road along the A699 which ran through Smedheugh land and discussion about who was responsible for repair of damage to the fence, including the responsibility to pursue third parties who may be liable to cover the cost of that repair.

DECISION

- (a) NOTED the update.**
- (b) AGREED that the Estates Strategy Surveyor:-**
 - (i) request permission from adjacent property owners to gain access for maintenance of the Green Hut and to cut down encroaching branches;**
 - (ii) review the arrangements for let of winter grazing on Selkirk Hill; and**
 - (iii) for Smedheugh Farm, obtain quotes for renewing electrical wiring in the steading and refreshed quotes for repair of guttering and downpipes on the straw shed.**

4. PRIVATE BUSINESS DECISION

AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 6 of Part I of Schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

- 5. THE COURTHOUSE COFFEE SHOP AND THE FOREST BOOKSHOP**
Members considered a request from the tenant of the Courthouse Coffee Shop.

The meeting concluded at 3.40 pm