

**SCOTTISH BORDERS COUNCIL
KELSO COMMON GOOD FUND SUB-COMMITTEE**

MINUTES of Meeting of the KELSO
COMMON GOOD SUB-COMMITTEE held in
MEETING ROOM 1, KELSO HIGH
SCHOOL, ANGRAFLAT ROAD, KELSO on
Wednesday, 7th February, 2018 at 4.30 pm

Present:- Councillors T, Weatherston (Chairman), S. Mountford, E.
Robson, Community Councillor D. Weatherston.
In Attendance:- Pensions and Investment Manager, Solicitor (Karen
Scrymgeour), Democratic Services Officer (F. Henderson).
Members of the Public:- 1.

1. MINUTE.

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

DECISION

AGREED to note the Minutes for signature by the Chairman.

- 1.2 With reference to paragraph 5.2 of the Minute of 6 December 2017. It was reported that a letter dated 13 December 2017, had been sent on behalf of the Committee explaining that future applications must include more detail about the number of members benefiting from the Annual Christmas Dinner, fundraising activities throughout the year, applications for funding made to other organisations and the amount paid by members for subscription. The Chairman confirmed that there were other activities organised for the Over 60s throughout the year and that the Committee were aware of what was required for future applications.

DECISION

NOTED.

2. UPDATE ON PINNACLEHILL WOODLAND

- 2.1 With reference to paragraph 3 of the Minute of 6 December 2017, the Democratic Services Officer advised that the Estates Manager had been unable to attend but had sent a written update. There had been difficulty making contact with the adjoining property owner to discuss the proposed works to the fence in detail. The Estates Manager and Property Inspector would arrange to meet on site to discuss the exact extent of works, obtain costs and report these directly to the property owner with a proposal for a contribution. It was hoped that the work would be complete by 31 March 2018 and the financial monitoring report reflected this proposed expenditure.

DECISION

(a) NOTED the written update from the Estates Manager.

(b) AGREED that there be a further update at the next meeting

3.0 MONITORING REPORT FOR 9 MONTHS TO 31 DECEMBER 2017

- 3.1 There had been circulated copies of a report by the Chief Financial Officer which provided the income and expenditure for the Kelso Common Good 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 I provided the projected income and expenditure

position for 2017/18 which showed a surplus of £347. Appendix 2 provided the balance sheet value to 31 March 2018 and showed a decrease in reserves of £42,153. Appendix 3 provided a breakdown of the property portfolio showing projected depreciation charges and actual property expenditure to 31 December 2017. Appendix 4 showed 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. The Capital and Investments Manager responded to Members questions.

DECISION

(a) AGREED the projected income and expenditure for 2017/18 as shown in Appendix 1 to the report.

(b) NOTED:-

- (i) The projected Income and Expenditure for 2017/18 in Appendix I as the revised budget for 2017/18;**
- (ii) the summary of the property portfolio in Appendix 3 of the report;**
- (iii) the current position of the investment in the Newton Fund contained in Appendix 4 of the report.**

DECLARATION OF INTEREST

Councillor Mountford declared an interest in the following item of business in terms of Section 5 of the Councillors Code of Conduct and took no part in the discussion.

4.0 APPLICATION FOR FINANCIAL ASSISTANCE

4.1 KELSO CHRISTMAS DECORATION FUND

With reference to paragraph 5.1 of the Minute of 6 December 2017, there had been circulated copies of an application for financial assistance. The Chairman advised that there were two Christmas Lights Committees and the application had been submitted by the fund raising Committee. In terms of the application submitted, there appeared to be a large amount in reserves and the detail on the application was inadequate. Members were of the opinion that groups seeking financial assistance should not assume that submission of an application would automatically receive funding on an annual basis. The Committee felt that it should pause to reflect on the amount of funding, and to whom it was being awarded. Following considerable discussion, it was agreed that the financial assistance sought in the sum of £750 be awarded for the Kelso Christmas Decorations Fund in 2017 but that similar awards may not be made in future years.

DECISION

AGREED to support the application for financial assistance for Kelso Christmas Decorations Fund for 2017 in the sum of £750.

The meeting concluded at 4.50 p.m.