

# Public Document Pack



## PEEBLES COMMON GOOD FUND SUB-COMMITTEE WEDNESDAY, 1 JULY 2020

A MEETING of the PEEBLES COMMON GOOD FUND SUB-COMMITTEE will be held on WEDNESDAY, 1 JULY 2020 at 2.00 pm. The Chairman has directed that this meeting will be conducted in accordance with Section 43 of the Local Government in Scotland Act 2003 and will be accessed remotely by all Members via MS TEAMS. The meeting will be live streamed to the public and a link will be on the Council website.

J. J. WILKINSON,  
Clerk to the Council,

24 June 2019

| <b>BUSINESS</b> |  |         |
|-----------------|--|---------|
| 1.              | <b>Apologies for Absence.</b>  |         |
| 2.              | <b>Order of Business.</b>  |         |
| 3.              | <b>Declarations of Interest</b>  |         |
| 4.              | <b>Minute (Pages 3 - 6)</b><br><br>Consider Minute of Meeting held on 26 February 2020. (Copy attached.)   | 5 mins  |
| 5.              | <b>Financial Monitoring to 31 March 2020 (Pages 7 - 18)</b><br><br>Consider report by Executive Director, Finance and Regulatory. (Copy attached.)                             | 15 mins |
| 6.              | <b>Application for Funding - Tweed Wheels (Pages 19 - 20)</b><br><br>Consider additional information in support of application for funding. (Copy attached.)                   | 10 mins |
| 7.              | <b>Eastgate Theatre Loan (Pages 21 - 22)</b><br><br>Consider request from the Board of Eastgate Theatre to extend the repayment period for their loan. (Copy letter attached.) | 10 mins |
| 8.              | <b>Peebles Golf Club (Pages 23 - 32)</b><br><br>Consider request from Peebles Golf Club regarding future rental payments. (Copy attached.)                                     | 10 mins |
| 9.              | <b>Any Other Items Previously Circulated.</b>  |         |

|     |   |         |
|-----|---|---------|
| 10. | <b>Any Other Items Which The Chairman Decides Are Urgent.</b>   |         |
| 11. | <p><b>Items Likely to be Taken in Private</b></p> <p>Before proceeding with the private business, the following motion should be approved:-</p> <p>“That under Section 50A(4) of the Local Government (Scotland) Act 1973 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 7A to the aforementioned Act.”</p> |         |
| 12. | <p><b>Minute (Pages 33 - 34)</b></p> <p>Consider the private section of the Minute of the meeting held on 26 February 2020. (Copy attached.)</p>  | 1 mins  |
| 13. | <p><b>Jedderfield Farm</b></p> <p>Consider report by Service Director Assets &amp; Infrastructure. (Copy to follow.)</p>  | 15 mins |

#### NOTES

- 1. Timings given above are only indicative and not intended to inhibit Members' discussions.**
- 2. Members are reminded that, if they have a pecuniary or non-pecuniary interest in any item of business coming before the meeting, that interest should be declared prior to commencement of discussion on that item. Such declaration will be recorded in the Minute of the meeting.**

---

**Membership of Committee:-** Councillors R. Tatler (Chairman), H. Anderson, S. Bell, K. Chapman, S. Haslam, E. Small and Community Councillor L Hayworth

---

Please direct any enquiries to Louise McGeoch Tel: 01835 825005  
Email: [lmcgeoch@scotborders.gov.uk](mailto:lmcgeoch@scotborders.gov.uk)

---

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

MINUTE of Meeting of the PEEBLES  
COMMON GOOD FUND SUB-COMMITTEE  
held in the Council Chamber, Rosetta Road,  
Peebles on Wednesday, 26 February, 2020  
at 5.00 pm

-----

Present:- Councillors R. Tatler (Chairman), H. Anderson, S. Bell, K. Chapman,  
S. Haslam and E. Small

Apologies:- Community Councillor L. Hayworth

In Attendance:- Treasury Business Partner (S. Halliday), Solicitors (E. Moir and G. Sellar),  
Property Services Manager, Democratic Services Officer (F. Walling).

Members of the Public:- 5.

1. **MINUTES**

The Minutes of the Meetings of Peebles Common Good Fund Sub-Committee held on 20 November 2019 and 6 February 2020 had been circulated.

**DECISION**

**AGREED to approve the Minutes.**

2. **FINANCIAL MONITORING TO 31 DECEMBER 2019**

There had been circulated copies of a report by the Executive Director, Finance & Regulatory providing details of the income and expenditure for the Peebles Common Good Fund for the nine months to 30 September 2019 and full year projected out-turn for 2019/20 and projected balance sheet values as at 31 March 2020. Appendix 1 to the report provided a projected Income and Expenditure position which currently showed a projected surplus of £31,322 for the year. Appendix 2 to the report contained a projected Balance Sheet to 31 March 2020 and projected a decrease in the reserves of £6,119. Appendix 3 to the report detailed the breakdown of the property portfolio showing projected rental income for 2019/20 and actual property expenditure to 31 December 2019. Appendix 4 to the report showed the value of the Kames Capital Investment Fund to 31 December 2019. The Treasury Business Partner, Sara Halliday, highlighted the main points. In response to a question regarding the grants budget and the recently approved loan, Ms Halliday explained that the loan was not shown in this part of the accounts and that the unallocated balance remaining in the grants budget was £6,508.

**DECISION**

**AGREED:-**

- (a) **the projected Income and Expenditure for 2019/20, as detailed in Appendix 1 to the report;**
- (b) **to note the projected Balance Sheet value as at 31 March 2020, as detailed in Appendix 2 to the report;**
- (c) **to note the summary of the property portfolio, as detailed in Appendix 3 to the report; and**

**(d) to note the current position of the investment in the Kames Investment Fund, as detailed in Appendix 4 to the report.**

**3. PEBBLES PARK RUN**

There had been circulated copies of a letter from Mr Martin Kelso, Co-Event Director of Haylodge parkrun, regarding the Haylodge parkrun which operated every Saturday in the park subject to no other pre-planned usage. Mr Kelso, who was in attendance, explained that to mark Leap Year, it was proposed to run the course in reverse on Leap Year day. Formal permission was being sought for this change from Peebles Common Good Fund Sub Committee, as landlord of the park. If the reverse route proved to be popular it was possible this might be used for other special events in the future. Mr Kelso added that the standard parkrun Risk Assessment showed that there were no material risks arising from the change. Members expressed their support for the regular parkrun events and gave permission for the course to be run in reverse.

**DECISION**

**AGREED to give permission for the Haylodge parkrun to follow a reverse route.**

**4. APPLICATIONS FOR FUNDING**

**4.1 Tweed Wheels**

There had been circulated copies of a request from Tweed Wheels, The Bridge, for funding of £10,000 towards the purchase of a new vehicle costing in the region of £40,000. Tweed Wheels currently had a mini bus and a car to provide accessible community transport. Capital funding was required to purchase a replacement mini-bus as the existing vehicle was coming to the end of its life. The application advised that £20,000 had already been raised towards the total required and the organisation was awaiting to hear if an application for a further £10,000 had been successful. Members were very supportive of Tweed Wheels and noted that £10,000 had recently been awarded to this Community Transport initiative from the Tweeddale Community Fund. In further discussion, Members had questions about the unrestricted funds shown in the accounts of the umbrella organisation The Bridge, whether other ways of purchasing the vehicle had been explored and also about long term sustainability of funding for Tweed Wheels. It was agreed to seek further information and delay consideration of the application to the next meeting.

**DECISION**

**AGREED to seek further information and defer consideration of the application from Tweed Wheels to the next meeting.**

**4.2 Peebles and District Men's Shed**

There had been circulated copies of a request from Peebles and District Men's Shed for funding of £6,486 towards the conversion of their premises from a formal social club and bar into a multi-purpose venue. Already members could undertake technical wood and metal working activities in newly fitted workshops but a large number also enjoyed modelling and art and a further section attended for social engagement. The aim was to provide properly equipped and comfortable adjacent spaces for modelling/art and social activities. A breakdown of the costs for the conversions was included with the application. Members spoke in support of the project and agreed to grant the funding request in full, noting that this was part of an ongoing process of investment into the fabric of the building.

**DECISION**

**AGREED to grant funding of £6,486 to Peebles and District Men's Shed.**

**4.3 Peebles Community Trust**

There had been circulated copies of a request from Peebles Community Trust for funding of £1,500 towards a project to save for posterity the old weighbridge office which stood in

the East Station car park. Mr Les Turnbull explained that the project was being carried out by the Peebles Railway Heritage Project, under the auspices of the Community Trust. The group believed that it was essential to save this building and preserve the significant history of Peebles as a railway town. The building was currently owned by Scottish Borders Council, who had agreed to a long term lease at a marginal rent. It was hoped to engage a local consultation to provide expertise to enable submission of a full and detailed application to the Scottish Heritage Fund for funding the fitting out of the building. It was anticipated that the full costs of the project would exceed £100k. Members recognised that this project was in its very early stages and whilst expressing enthusiasm for the proposals felt that the application was lacking in financial and other important details. Members would also require to see a more recent set of accounts in order to consider the application. In response to questions, Mr Turnbull gave further information about the proposed remit for a consultant. He confirmed that to date, no other sources of funding had been approached and that a surveyor's report for the building had not yet been obtained. After further discussion Members felt that they could not support the application for funding at this stage but invited Mr Turnbull to approach the Common Good for funding again in the future, if necessary, once further detailed information about the project was available and after alternative sources of funding had been explored.

#### **DECISION**

**AGREED not to grant funding to Peebles Community Trust for the Peebles Railway Heritage project until more information had been provided and other sources of funding explored.**

#### **5. DRAFT REVISED APPLICATION FOR FUNDING**

With reference to paragraph 1.2 of the private section of the Minute of 6 February 2020, there had been circulated copies of a draft revised application form, for funding from all the Council's Common Good Funds, which had been re-designed to a format similar to the form used for applications to the Community Fund. Members considered the form to be an improvement. Councillor Haslam asked for an additional box to be added after box 2 of the form to request how outcomes of the project would be measured and evaluated. It was noted that the application form would also be presented to the other Common Good Fund Sub Committees for comment.

#### **DECISION**

- (a) NOTED the draft revised form for applications for financial assistance from Common Good Funds.**
- (b) AGREED to recommend that an additional box be added to the draft after box 2 of the form to request how outcomes of the project would be measured and evaluated.**

#### **6. PROPERTY UPDATE**

##### **6.1 Jedderfield Farm**

With reference to paragraph 5 of the Minute of 20 November 2019, the Property Services Manager advised that a market appraisal of the Jedderfield Farm property being carried out by the Chartered Surveyors had raised several questions in relation to options for its sale or lease. The house and buildings were in poor condition and the way forward would involve a complex legal process. A high level costed plan would be included in a full report on the property. The report would include a wider survey of other grazing land in the ownership of the Common Good.

#### **DECISION NOTED**

##### **6.2 Update on other property matters**

The Property Services Manager referred to breakage of a water main across Victoria Park, which had been fixed. Recent flooding of the Gytes allotments had led to damage to fences with an estimated repair cost of £8k. The Council was currently exploring whether this cost would be met through Insurance or through the Bellwin scheme. At Haylodge Park there had been a problem with an external tap, which was being repaired. With regard to the replacement of Peebles Tennis Club clubhouse the Property Services Manager advised that a new lease was still under discussion and that a planning application had not yet been submitted.

**DECISION**

**NOTED the update**

**CHAIRMAN**

As this was the last meeting that would be attended by solicitor Emma Moir prior to her departure from Scottish Borders Council, the Chairman thanked her for her support to the Sub Committee and wished her well for the future.

7. **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**

8. **PRIVATE MINUTE**

**Minute**

Approved the private section of the Minute of the meeting held on 6 February 2020.

9. **Urgent Business**

Members considered an item of urgent business regarding applications for events on Victoria Park.

*The meeting concluded at 6.05 pm*

---

**MONITORING REPORT FOR 12 MONTHS TO 31 MARCH 2020  
AND PROPOSED BUDGET FOR FINANCIAL YEAR 2020/21**

**Report by Executive Director, Finance & Regulatory**

---

**PEEBLES COMMON GOOD FUND SUB-COMMITTEE**

**1 July 2020**

---

**1 PURPOSE AND SUMMARY**

- 1.1 This report provides the details of the income and expenditure for the Peebles Common Good Fund for the year 2019/20 including balance sheet values as at 31 March 2020 and proposed budget for 2020/21.**
- 1.2 Appendix 1 provides the actual income and expenditure for 2019/20. This shows a surplus of £13,952 for the year, which varies from the projected surplus figure reported at the 26 February 2020 meeting, due to essential repairs carried out at the Band Hall.
- 1.3 Appendix 2 provides an actual balance sheet as at 31 March 2020. It shows an increase in the reserves of £26,399 due to the revaluation of properties offset slightly by unrealised loss on the Kames Investment Fund.
- 1.4 Appendix 3 provides a breakdown of the property portfolio showing the effect of the revaluation.
- 1.5 Appendix 4 shows the value of the Kames Capital Investment Fund to 31 March 2020.

**2 RECOMMENDATIONS**

- 2.1 It is recommended that the Common Good Fund Sub-Committee:**
  - (a) Notes the actual income and expenditure for 2019/20 in Appendix 1;**
  - (b) Agrees the proposed budget for 2020/21 as shown in Appendix 1;**
  - (c) Notes the final balance sheet value as at 31 March 2020 in Appendix 2;**
  - (d) Notes the summary of the property portfolio in Appendix 3; and**
  - (e) Notes the current position of the investment in the Kames Capital Investment Fund in Appendix 4.**

### **3 BACKGROUND**

3.1 This report provides the Committee with financial information for the period to 31 March 2020 and proposed budgets for 2020/21. The report also contains a projected balance sheet for the Common Good Fund as at 31 March 2021.

### **4 FINANCIAL POSITION 2019/20**

4.1 Appendix 1 provides details on income and expenditure for the 2019/20 financial year, which resulted in a surplus of £13,952, as well as the proposed budget for 2020/21.

#### **4.2 Income & Expenditure – Property Income**

- (a) Rental income for 2019/20 is shown in Appendices 1 & 3, with Appendix 3 detailing the actual annual rental income by individual property.
- (b) The Rental Income for 2020/21 is projected to decrease by £750 due to loss of £2,100 rental from Jedderfield Farm which is currently vacant. This will be off set slightly by new rents for Old Corn Exchange Hall and Kirkland Street Garages.

#### **4.3 Income & Expenditure – Non-Property Related Income**

- (a) The final outturn position shows an amount of £297 relating to interest receivable on cash held by SBC. Also included are dividends from the Common Good Funds investment in Kames Capital amounting to £22,480 which is less than the overall 5% target and the monthly distribution profile projections provided by Kames. This is as a result of the market value dropping due to the impact of the COVID-19.
- (b) As the full economic impact of COVID-19 is not yet known the dividend budget has been reduced to reflect 2.5% compared to the target of 5%. The position will be monitored closely with Kames Capital.
- (c) Included within other income for the year is a rebate from Kames Capital (£392), which has been re-invested to purchase an additional 350 units. Rebate income received in March of £113 has been accounted for within income but the corresponding 120 units were not purchased until April 2020.

#### **4.4 Income & Expenditure – Property Expenditure**

- (a) The property expenditure to 31 March 2020 is detailed in Appendix 3 by property and includes a large expense for the roof on the Band Hall/Corn Exchange. Expenditure of £19,600 was incurred due to works being carried out late December/January following storm damage.

- (b) The proposed budget for 2020/21 is shown in Appendix 1. This currently shows a budget of £10,000 for general property expenditure. A report on Jedderfield Farm will be presented at the meeting, giving an update on the options available for the property.

#### 4.5 Income & Expenditure – Grants & Other Donations

The grants and other donations approved and distributed to 31 March 2020 are shown below. A budget of £22,000 is proposed for 2020/21.

| <b>Grant Recipients</b>                                   | <b>Approved</b> | <b>£</b>       |
|---|-----------------|----------------|
| <b>Approved and Paid to 31 March 2020</b>                 |                 |                |
| Peebles Ex Servicemen's Pipe Band                         | 29/05/19        | 6,500          |
| Tweedgreen  | 29/05/19        | 600            |
| Peebles Rugby Club  | 29/05/19        | 5,880          |
| Remembrance Day   | Annual          | 212            |
| Peebles & District Citizens Advice Bureau- (to be repaid) | 20/11/19        | 2,000          |
| Peebles County War Memorial Service                       |                 | 220            |
| Peebles and District Mens Shed                            |                 | 6,486          |
| Peebles Community Trust                                   | 20/11/19        | 1,200          |
| Peebles Ex-Servicemen's Pipe Band                         | 20/11/19        | 3,500          |
| <b>Total Paid to 31 March 2020</b>                        |                 | <b>26,598</b>  |
| <b>Budget 2019/20</b>                                     |                 | <b>29,500</b>  |
| <b>(Unallocated)/Overallocated Budget</b>                 |                 | <b>(2,902)</b> |
| <b>Approved but not yet paid</b>                          |                 |                |
| Hire of Burgh Hall  | 07/09/04        | <b>100</b>     |
| Eastgate Theatre  | 30/07/18        | <b>3,000</b>   |

#### 4.6 Income & Expenditure – Depreciation Charge

The depreciation charge for the year is £82,960, an increase of £45,519 due to the revaluation of the properties. This is not a cash transaction and is off-set by a corresponding contribution from the Revaluation Reserve at the end of the financial year.

- 4.7 Appendix 2 provides the actual balance sheet value as at 31 March 2020, and a projected balance sheet as at 31 March 2021.

#### 4.8 Balance Sheet – Fixed Assets

All fixed assets of the Common Good Fund are revalued every five years as part of the Council's rolling programme. The fixed assets were revalued at 1 April 2019 resulting in an increase of £169,056. Appendix 3 shows the difference in value from 31 March 2019 to 31 March 2020 for the individual properties.

#### 4.9 Balance Sheet – Investment Fund

The fund has a 5.98% unrealised loss in market value since investment, largely due to continued volatility in investment markets. Overall, however taking account of the income received the fund has achieved a return of – (4.83%) since investment in February 2018. As a result of the COVID-19 global markets across most asset classes have seen a drop, resulting in an overall negative return for 2019/20. Markets have however seen a bounce back during April and May which has resulted in some of the unrealised loss being negated.

#### 4.10 Balance Sheet – Cash Balance

The cash held by the fund is £13,722 at 31 March 2020 and is detailed below:

| <b>Cash Balance</b>                                  | <b>£</b>      |
|--|---------------|
| <b>Opening Balance at 1 April 2019</b>               | <b>65,133</b> |
| Surplus for year from Income & Expenditure Statement | 13,952        |
| Net cash movement in Debtors/Creditors               | (4,971)       |
| Loan to East Gate Theatre                            | (20,000)      |
| Loan to Tweeddale Youth Action Group                 | (20,000)      |
| Investment in Kames                                  | (20,000)      |
| Kames Fund Rebate                                    | (392)         |
| <b>Closing Balance as at 31 March 2020</b>           | <b>13,722</b> |

#### 4.11 Balance Sheet – Capital Reserve

The projections for the Capital Reserves include the unrealised loss for the Kames Fund as at 31 March 2020 but due to the nature of the markets no estimate has been made for the current years' movement.

### 5 IMPLICATIONS

#### 5.1 Financial

There are no further financial implications other than those explained above in Section 4.

#### 5.2 Risk and Mitigations

There is a risk that investments in the Kames Fund may reduce in value due to market or investment performance. This risk cannot be fully mitigated; however, it is being managed by the selection of a Fund Manager with a clear objective of preserving capital values while aiming to produce returns in line with the benchmark.

#### 5.3 Integrated Impact Assessment

There is no impact or relevance to Equality Duty or the Fairer Scotland Duty for this report. This is a routine good governance required to ensure robust management of the Common Good Funds. Nevertheless, a light touch assessment has been conducted and this will be published on SBC's Equality and Diversity Pages of the website as in doing so, signifies that equality, diversity and socio –economic factors have duly been considered when preparing this report.

## 5.4 Acting Sustainably

Whilst there are no economic, social or environmental effects arising from the proposals contained in this report, there are, through the activities reported upon, positive impacts upon the economy through protection of employment, positive impacts upon the quality of community life and improvements in local amenities and nurturing of local talent. The potential improvement in levels of income through the use of the new investment fund will act to make the Common Good Fund more sustainable in the future.

## 5.5 Carbon Management

There are no effects on carbon emissions arising from the proposals contained in this report.

## 5.6 Rural Proofing

There are no effects on rural proofing arising from the proposals contained in this report.

## 5.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes required to the Scheme of Administration or Scheme of Delegation arising from the proposals contained in this report.

## 6 CONSULTATION

- 6.1 The Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR and Communications, the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

### Approved by

**David Robertson**

**Executive Director Finance & Regulatory Signature .....**

### Author(s)

|               |  |
|---------------|--|
| Kirsty Robb   | Pensions and Investments Manager, Tel: 01835 825249    |
| Sara Halliday | Treasury Business Partner, Tel: 01835 824000 Extn 5854 |

### Background Papers:

**Previous Minute Reference:** Peebles Common Good Committee 26 February 2020

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. We can also give information on other language translations as well as providing additional copies.

Contact us at Pension & Investment Team, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA. Tel: 01835 824000 Fax: 01835 825166  
Email: t&cteam@scotborders.gov.uk

## PEEBLES COMMON GOOD FUND

## ACTUAL INCOME AND EXPENDITURE 2019/20

|  | Actuals at<br>31/03/20<br>£ | Full Year<br>Approved<br>Budget<br>2019/20<br>£ | Over/<br>(Under)<br>Spend<br>2019/20<br>£ | Proposed<br>Budget<br>2020/21<br>£ | Para<br>Ref | Commentary                         |
|--|-----------------------------|---|---|------------------------------------|-------------|------------------------------------|
| <b>Property Income</b>                               |                             |   |   |                                    |             |                                    |
| Rentals Receivable                                   | (54,627)                    | (54,390)  | (237)                                     | (53,540)                           | 4.2         |                                    |
| <b>Non-Property Related Income</b>                   |                             |   |   |                                    |             |                                    |
| Interest on Cash deposited with Council              | (297)                       | (250)   | (47)                                      | (300)                              | 4.3         |                                    |
| Interest on Loan                                     | (172)                       | 0   | (172)                                     | (380)                              | 4.3         |                                    |
| Investment Funds – Dividends Rec'd                   | (22,480)                    | (23,970)  | 1490                                      | (10,716)                           | 4.3         | Estimate 2.5% return               |
| Other Income   | (505)                       | (456)   | (49)                                      | (500)                              |             |                                    |
| <b>Total Income</b>                                  | <b>(78,081)</b>             | <b>(79,066)</b>                                 | <b>985</b>                                | <b>(65,436)</b>                    |             |                                    |
| <b>Property Expenditure</b>                          |                             |   |   |                                    |             |                                    |
| Property Costs – General                             | 22,687                      | 3,100   | 19,587                                    | 10,000                             | 4.4         |                                    |
| Haylodge Toilets – Cleaning                          | 6,500                       | 6,800   | (300)                                     | 6,800                              |             |                                    |
| <b>Total Property Expenditure</b>                    | <b>29,187</b>               | <b>9,900</b>                                    | <b>19,287</b>                             | <b>16,800</b>                      |             |                                    |
| <b>Grants &amp; Other Donations</b>                  | <b>26,598</b>               | <b>29,500</b>                                   | <b>(2,902)</b>                            | <b>22,000</b>                      | 4.5         |                                    |
| <b>Central Support Service Charge</b>                | <b>8,344</b>                | <b>8,344</b>                                    | <b>0</b>                                  | <b>8,594</b>                       |             |                                    |
| <b>Depreciation</b>                                  |                             |   |   |                                    |             |                                    |
| Depreciation Charge                                  | 82,960                      | 37,441  | 45,519                                    | 82,960                             |             |                                    |
| Contribution from Revaluation Reserve                | (82,960)                    | (37,441)  | (45,519)                                  | (82,960)                           | 4.6         | Actual based on 1/4/19 revaluation |
| <b>Net impact of Depreciation on Revenue Reserve</b> | <b>0</b>                    | <b>0</b>  | <b>0</b>                                  | <b>0</b>                           |             |                                    |
| <b>Total Net (Surplus)/Deficit for year</b>          | <b>( 13,952)</b>            | <b>(31,322)</b>                                 | <b>17,370</b>                             | <b>(18,042)</b>                    |             |                                    |

## PEEBLES COMMON GOOD FUND

## BALANCE SHEET VALUE AS AT 31 MARCH 2020

|   | Opening<br>Balance at<br>01/04/19 | Movement<br>in<br>Year | Closing<br>Balance at<br>31/03/20 | Projected<br>Balances at<br>31/03/21 |
|---|-----------------------------------|------------------------|-----------------------------------|--------------------------------------|
|   | £                                 | £                      | £                                 | £                                    |
| <b>Fixed Assets</b>                         |                                   |                        |                                   |                                      |
| Land & Buildings                            | 764,044                           | 86,096                 | 850,140                           | 767,180                              |
| Feu Duties                                  | 1,619                             | 0                      | 1,619                             | 1,619                                |
| <b>Total Fixed Assets</b>                   | <b>765,663</b>                    | <b>86,096</b>          | <b>851,759</b>                    | <b>768,799</b>                       |
| <b>Capital in Kames<br/>Investment Fund</b> |                                   |                        |                                   |                                      |
| Investment Fund Book Value                  | 443,840                           | 20,392                 | 464,232                           | 464,624                              |
| Unrealised Gains/(Loss)                     | 3,098                             | (73,649)               | (70,551)                          | (70,551)                             |
| <b>Market Value</b>                         | <b>446,938</b>                    | <b>(53,257)</b>        | <b>393,681</b>                    | <b>394,073</b>                       |
| <b>Current Assets</b>                       |                                   |                        |                                   |                                      |
| Loan to Eastgate Theatre                    | 0                                 | 20,000                 | 20,000                            | 0                                    |
| Loan to Tweeddale Youth                     | 0                                 | 20,000                 | 20,000                            | 0                                    |
| Debtors                                     | 3,242                             | 1,851                  | 5,093                             | 5,093                                |
| Cash deposited with SBC                     | 65,133                            | (51,411)               | 13,722                            | 71,372                               |
| <b>Total Current Assets</b>                 | <b>68,375</b>                     | <b>(9,560)</b>         | <b>58,815</b>                     | <b>76,465</b>                        |
| <b>Current Liabilities</b>                  |                                   |                        |                                   |                                      |
| Creditors                                   | 0                                 | 0                      | 0                                 | 0                                    |
| Receipts in Advance                         | (3,145)                           | 3,120                  | (25)                              | (25)                                 |
| <b>Total Current Liabilities</b>            | <b>(3,145)</b>                    | <b>3,120</b>           | <b>(25)</b>                       | <b>(25)</b>                          |
| <b>Net Assets</b>                           | <b>1,277,831</b>                  | <b>26,399</b>          | <b>1,304,230</b>                  | <b>1,239,312</b>                     |
| <b>Funded by:</b>                           |                                   |                        |                                   |                                      |
| <b>Reserves</b>                             |                                   |                        |                                   |                                      |
| Revenue Reserve                             | (87,070)                          | (13,952)               | (101,022)                         | (119,064)                            |
| Capital Reserve                             | (474,893)                         | 73,649                 | (401,244)                         | (401,244)                            |
| Revaluation Reserve                         | (715,868)                         | (86,096)               | (801,964)                         | (719,004)                            |
| <b>Total Reserves</b>                       | <b>(1,277,831)</b>                | <b>(26,399)</b>        | <b>(1,304,230)</b>                | <b>(1,239,312)</b>                   |

**PEEBLES COMMON GOOD FUND  
PROPERTY PORTFOLIO PERFORMANCE FOR 2019/20  
(Actual Income and Expenditure at 31 March 2020)**

| Fixed Assets –<br>Land & Buildings | Net Book<br>Value at<br>31/03/19 | Revaluatn<br>Adjust<br>as at<br>01/04/19 | Depn<br>Charge<br>2019/20 | Net Book<br>Value at<br>31/03/20 | Actual<br>Rental<br>Income<br>2019/20 | Actual Property Expenditure at 31/03/20 |                               |      |       |        |
|------------------------------------|----------------------------------|--|---------------------------|----------------------------------|---------------------------------------|---|-------------------------------|------|-------|--------|
|                                    |                                  |  |                           |                                  |                                       | Repairs                                 | Rates,<br>Water<br>&<br>Power | Ins  | Other | Total  |
|                                    | £                                | £  | £                         | £                                | £                                     | £                                       | £                             | £    | £     | £      |
| Greenside Car Park                 | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Kings Meadows Car Park             | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| George Meikle Kemp Monument        | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Victoria Park                      | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Victoria Park Tennis Courts        | 21,000                           | 19,000                                   | 11,400                    | 28,600                           | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Peebles Disused Railway            | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Peebles Golf Course                | 155,000                          | 3,000                                    | 0                         | 158,000                          | 15,290                                | 0                                       | 0                             | 0    | 0     | 0      |
| Jedderfield Farm                   | 131,000                          | 24,000                                   | 4,100                     | 150,900                          | 2,095                                 | 0                                       | 0                             | 0    | 59    | 59     |
| Neidpath Grazings                  | 20,000                           | 0  | 0                         | 20,000                           | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Haylodge Park                      | 0                                | 0  | 0                         | 0                                | 250                                   | 424                                     | 0                             | 0    | 39    | 463    |
| Haylodge Depot                     | 47,250                           | 34,750                                   | 12,240                    | 69,760                           | 43                                    | 275                                     | 0                             | 0    | 39    | 314    |
| Old Corn Exchange Hall             | 22,100                           | 21,900                                   | 7,900                     | 36,100                           | 450                                   | 290                                     | 0                             | 0    | 199   | 489    |
| Walkershaugh Store                 | 29,875                           | 22,125                                   | 9,360                     | 42,640                           | 6,500                                 | 0                                       | 0                             | 0    | 0     | 0      |
| Tweed Green                        | 0                                | 0  | 0                         | 0                                | 0                                     | 70                                      | 0                             | 0    | 68    | 138    |
| Cuddy Green (Part 1)               | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 49    | 49     |
| Venlaw Wood                        | 16,000                           | 0  | 0                         | 16,000                           | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Tweed Fishings                     | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Peebles Town Clock                 | 0                                | 0  | 0                         | 0                                | 0                                     | 40                                      | 0                             | 0    | 0     | 40     |
| Old Corn Exchange Shop (Front)     | 76,500                           | 37,250                                   | 22,150                    | 91,600                           | 12,000                                | 20,843                                  | 0                             | (40) | 24    | 20,827 |
| Garage 1 Tweed Green               | 1,000                            | 4,000                                    | 900                       | 4,100                            | 299                                   | 0                                       | 0                             | 0    | 19    | 19     |
| Venlaw Quarry                      | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Venlaw Amenity Ground              | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Old Town Wall Monument             | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
| Haylodge Park Play Area            | 0                                | 0  | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0    | 0     | 0      |
|                                    | 0                                |  |                           |                                  |                                       | 0                                       |                               |      |       |        |

| Fixed Assets –<br>Land & Buildings | Net Book<br>Value at<br>31/03/19 | Revaluatn<br>Adjust<br>as at<br>1/04/19 | Depn<br>Charge<br>2019/20 | Net Book<br>Value at<br>31/03/20 | Actual<br>Rental<br>Income<br>2019/20 | Actual Property Expenditure at 31/03/20 |                               |              |              |               |
|------------------------------------|----------------------------------|---|---------------------------|----------------------------------|---------------------------------------|---|-------------------------------|--------------|--------------|---------------|
|                                    |                                  |   |                           |                                  |                                       | Repairs                                 | Rates,<br>Water<br>&<br>Power | Ins          | Other        | Total         |
|                                    | £                                | £                                       | £                         | £                                | £                                     | £                                       | £                             | £            | £            | £             |
| Walkershaugh ACF Site              | 7,500                            | 2,500                                   | 0                         | 10,000                           | 500                                   | 0                                       | 0                             | 0            | 0            | 0             |
| Walkershaugh Bowling Green         | 500                              | 0                                       | 0                         | 500                              | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Former Railway                     | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Ninians Haugh Park                 | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Ninians Haugh Play Area            | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Old Town Green                     | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Garage 2 Tweed Green               | 750                              | 2,250                                   | 540                       | 2,460                            | 175                                   | 0                                       | 0                             | (39)         | 0            | (39)          |
| Garage 3 Tweed Green               | 500                              | 2,500                                   | 540                       | 2,460                            | 175                                   | 0                                       | 0                             | (33)         | 0            | (33)          |
| Land at March Street               | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Gas Governor Site                  | 750                              | 0                                       | 0                         | 750                              | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Forneringham Bridge                | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Land at Haylodge Cottage Site      | 11,500                           | 8,500                                   | 0                         | 20,000                           | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Garages Sites at Kirkland Street   | 6,750                            | 0                                       | 0                         | 6,750                            | 800                                   | 0                                       | 0                             | 0            | 0            | 0             |
| Land at Kingsmeadows Toilets       | 2,000                            | 600                                     | 0                         | 2,600                            | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Haylodge Toilets                   | 22,469                           | 2,531                                   | 4,730                     | 20,270                           | 0                                     | 0                                       | 201                           | 0            | 6,558        | 6,759         |
| Land at Gytes Leisure Centre       | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Old Corn Exchange Shop (Rear)      | 24,600                           | 25,400                                  | 9,100                     | 40,900                           | 3,000                                 | 0                                       | 0                             | (33)         | 0            | (33)          |
| Kingsland School Site              | 70,000                           | 0                                       | 0                         | 70,000                           | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Haylodge Pavilion Site             | 1,250                            | 3,750                                   | 0                         | 5,000                            | 9,500                                 | 0                                       | 0                             | 0            | 0            | 0             |
| Elliot's Park Grazings             | 95,000                           | (45,000)                                | 0                         | 50,000                           | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Kingsland Primary School Sub Stn   | 750                              | 0                                       | 0                         | 750                              | 3,500                                 | 0                                       | 0                             | 0            | 0            | 0             |
| Connor Ridge Monitoring Site       | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Tweed Green Car Park Site          | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Victoria Park Construction Store   | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Walkershaugh Railway Embank        | 0                                | 0                                       | 0                         | 0                                | 0                                     | 0                                       | 0                             | 0            | 0            | 0             |
| Biggiesknowe Garage                | 00                               | 0                                       | 0                         | 0                                | 50                                    | 0                                       | 0                             | (46)         | 0            | (46)          |
| Property Expenditure (General)     | -                                | -                                       | -                         | -                                | 0                                     | 151                                     | 0                             | 0            | 30           | 181           |
| <b>Total</b>                       | <b>764,044</b>                   | <b>169,056</b>                          | <b>82,960</b>             | <b>850,140</b>                   | <b>54,627</b>                         | <b>22,093</b>                           | <b>201</b>                    | <b>(191)</b> | <b>7,084</b> | <b>29,187</b> |

**Fixed Assets –  
Moveable Assets**

Leather Chairs (14)  
Chairs (5)  
China Cabinet  
Antique Mirror  
Square Coal Scuttle  
Oak Mantle Clock (1930)  
Antique Fire Irons & Grate  
Log Effect Electric Fire  
Oval Oak Table  
Light Pendants (5)  
Single Pendant  
4 Single Brass Gas Wall Fittings

## PEEBLES COMMON GOOD FUND

## INVESTMENTS EXTERNALLY MANAGED

| <b>Cost of Investment</b>                | <b>Units</b>   | <b>£</b>       |
|--|----------------|----------------|
| Kames Capital Investment (February 2018) | 387,354        | 419,388        |
| Kames Capital Investment (August 2018)   | 22,187         | 24,000         |
| Kames Fund Rebate – (2018-2019)          | 422            | 452            |
| Kames Investment – (May 19)              | 18,254         | 20,000         |
| Kames Fund Rebate – (2019-2020)          | 350            | 392            |
| <b>Total Invested to 31 March 2020</b>   | <b>428,567</b> | <b>464,232</b> |

| <b>Value of Investment</b>                          | <b>£</b>        |
|---|-----------------|
| 31 March 2018                                       | 418,032         |
| 30 June 2018  | 415,553         |
| 30 September 2018                                   | 441,035         |
| 31 December 2018                                    | 416,749         |
| 31 March 2019                                       | 446,938         |
| 30 June 2019  | 474,748         |
| 30 September 2019                                   | 475,130         |
| 31 December 2019                                    | 491,230         |
| 31 March 2020                                       | 393,681         |
| <b>Increase/(Decrease) from Total Cash Invested</b> | <b>(70,551)</b> |

This page is intentionally left blank

**From:** Walling, Fiona  
**Sent:** 06 March 2020 15:27  
**To:** Lorna McCullough  
**Subject:** Application to Peebles Common Good Fund from Tweed Wheels

Dear Lorna

Thank you for your application for financial assistance on behalf of Tweed Wheels (The Bridge) which was considered by Peebles Common Good Sub Committee. Members expressed strong support for the Tweed Wheels initiative and all associated positive benefits outlined in the application. However, in noting that the accompanying set of accounts related to the umbrella organisation of The Bridge, rather than specifically to Tweed Wheels, they had a number of questions about whether other sources of funding had been fully explored – being mindful that the Common Good was considered as a lender of last resort.

I've been unable to find reference to the Common Good Fund being considered a lender of last resort, to be clear we are applying for a grant, not a loan. I note that the charitable purposes of the Common Good Funds are that, subject to their legal responsibilities in terms of any assets held by the charities, the funds are operated for the **common good of the residents** and may be used to **provide advancement of citizenship or community development**. Our community transport service meets this criteria very well because we are supporting the most vulnerable in our society and without it, many residents would be further socially isolated, unable to continue to participate and do daily activities which many take for granted.

It was also noted that Tweed Wheels had recently been awarded a grant of £10k from the Tweeddale Locality Community Fund towards replacement of the minibus. **Yes we did.** We are very proud to say we have also gained further support for our service and the benefits it provides, by securing a further £10k from The National Lottery Community Fund and £10k from The Robertson Trust. This therefore means we only need a further £10k to enable us to order a new bus.

After discussion they agreed to seek further information from you and to defer a decision on the application to the next meeting. In particular Members asked for further clarification as follows:

1. It was noted that there was a figure of £52k unrestricted funds showing within The Bridge accounts as at 31 March 2019. The question was asked as to why part of this sum could not be used towards the replacement minibus. (Louise forwarded me your email about the unrestricted funds but perhaps you could include all that information in your overall reply). Our reserves policy requires us to be a responsible employer, we need the unrestricted funds to cover the costs we know we have liabilities for as an organisation, given the number of employees and lease holds that we have. We also have increased costs this year onwards as we no longer receive any grant from SBC towards our rent of the Peebles office. Our unrestricted funds are also needed for the operational costs of running the transport services, repairs are particularly unpredictable and costs can be very high. Across The Bridge we actually operate 3 different community transport services, Teviot Wheels, Gala Wheels as well as Tweed Wheels. In total we have 9 vehicles and therefore it's not sustainable to use our available funds for new vehicle purchases.
2. Has the organisation considered replacing the minibus through some sort of financial agreement rather than by outright purchase of a new vehicle. **The type of vehicles needed to run our transport service cannot be leased or hired because they need to be specially adapted with removable seats, a fully operational lift etc.** This is therefore not a viable

option. Even if we were to find a suitable vehicle to lease, the Community Transport Authority (CTA) recommend buying rather leasing as it's more economical over the longer term. Lastly, we need to keep our costs as low as possible to keep our charges low. We wouldn't be able to obtain grant funding for a lease of a vehicle, but we can get it for the purchase of a new vehicle, it's therefore within our social aims to provide affordable and accessible transport to the most in need by operating this way, to pass on the least costs that we can to our passengers.

2. Members would like to see a more sustainable funding base for Tweed Wheels going forward, noting that the organisation appeared to be supported essentially by funding from statutory sources. They asked for further information about how this could be achieved. The current bus is nearly 9 years old. The business model we use, in order to provide **accessible and affordable** transport is that we cover operating costs through our Tweeddale Thrift shop in Innerleithen and that we fund raise to replace the vehicles when needed. If we were to charge more to cover the replacement vehicles too, then people that need it wouldn't be able to access it due to the costs simply being too high.

The Bridge, as a partner in the Borders Third Sector Interface, receive some funding from the Scottish Government. This funding isn't to provide a community transport service, but to work in community development supporting the Third Sector in the Borders, as such it isn't relevant to this application. The only other funding received is the Social Car Scheme (SCS) and Bus Service Operators Grant (BSOG). The SCS is where a subsidy is provided as a substitute to individuals only for a bus service to help those who are unable to use public transport because of infirmity, age or rurality. The BSOG is a discretionary grant paid under section 38 of the Transport (Scotland) Act 2001 by Transport Scotland on behalf of Scottish Ministers. This grant is for those operating a Community Transport service possessing a Section 19 Permit. Both of these grants allow us to keep our charges low and affordable.

If you would send me your response to the above points I will pass this to Members and ensure the application is on the agenda for consideration at the next meeting.

Kind regards  
Fiona Walling



Eastgate Theatre  
Peebles  
EH45 8AD

21 June 2020

Cllr Robin Tatler  
Chairman  
Peebles Common Good Fund

Dear Robin,

**Common Good Fund: £20,000 loan to the Eastgate Theatre**

Since the current lockdown started in March the Eastgate has been able to secure £15,100 of Covid-19 grant support plus **over £25,000 of donations from the local community**. Together with the annual grant from Live Borders which is being paid quarterly in advance, and staff being furloughed, this means that our *current* costs are being covered. However the company's financial situation after the furlough scheme ends, and when no further grants are available, is likely to remain challenging.

In common with almost all theatres, and to a lesser extent cinemas and cafes, the problems we are facing are: firstly, the loss of income during the spring and summer season which would normally have helped sustain the company through the rest of the year; secondly, social distancing guidelines and procedures will restrict the income we can achieve for at least the next 6-9 months; and lastly, we anticipate that it will be several months before audiences will feel completely comfortable to return to events and performances.

As you know we refurbished the auditorium and foyer during 2019. The largest funder of this project is LEADER but approximately £75,000 of their grant to the Eastgate has still not been paid, and we are therefore having to rely on an £80,000 loan facility from Royal Bank of Scotland until the grant funds are received. Scottish Borders Council are aware of this delay and have assured us of their continued support for the Eastgate.

We gratefully acknowledge the support that the Common Good Fund has provided to the Eastgate in the past and for the current £20,000 loan, but given the current extraordinary circumstances, it would be immensely helpful if the Trustees of the Common Good Fund could consider an extension of the repayment date, perhaps for a further 12 months, when hopefully the theatre will be fully operational. The present agreement is for repayment of the full loan in December 2020.

I would be grateful if our request could be presented to the next meeting of the Trustees.

Finally, please let me know if you require any further information.

Yours sincerely

Ron Inglis (Chair of the Eastgate Board)

cc Louise McGeoch

## Notes on the financial position of the Eastgate Theatre

- The accounts for the year to 31 March 2020 have not yet been audited but are anticipated to show a small deficit (circa £2,000) on trading during the 2019-20 year which was disrupted for 3 months due to the refurbishment of the auditorium and the foyer.
- The company does not have any financial reserves.
- The company has an £80,000 term loan from Royal Bank of Scotland, secured on the building, in order to provide cash flow support pending the full payment of grant monies due from LEADER.
- Annual turnover, budgeted for 2020-21 before the lockdown, was projected to be circa £567,000.
- Covid-19 related support to date:
  - Live Borders Core Grant                      £18,273 (paid quarterly in advance)
  - Local fundraising + Friends                £25,000+ (ongoing)
  - Covid-19 funding schemes                £15,100
  - *(6 applications totalling £108,250 have been rejected for various reasons including eligibility criteria and over-subscribed support schemes)*
  - Staff furlough                                      Ongoing

**From:** Secretary <[secretary@peeblesgolfclub.com](mailto:secretary@peeblesgolfclub.com)>  
**Sent:** Friday, June 19, 2020 7:06:24 AM  
**To:** Tatler, Robin (Councillor) <[Robin.Tatler@scotborders.gov.uk](mailto:Robin.Tatler@scotborders.gov.uk)>  
**Subject:** RE: Peebles Common Good Fund

**CAUTION:** External Email

Hi Robin

I hope you are well.

As agreed, I said I would revert to you in June to give you an update on how the club was faring during the crisis.

I have attached an updated spreadsheet that provides a “Best Estimate” for the current year (through to 30 Nov 2020) and a high level forecast for the next three years.

At a high level, our “Best Estimate” for 2020 has improved markedly, with the forecast deficit reducing from £97k to £43k against our original budget deficit of £31k.

Whilst we are very pleased with this and the response from our members, which has been heart-warming and fantastic, we still require the support of our major stakeholders as we navigate our way back to a position of sustainable viability.

The Board has asked me to make a formal request to the Peebles Common Good Fund for the following: -

- Waiver of the next two quarterly payments (due July and October 2020).
- A reduction in our annual charge as follows: -
  - 2021 – 20% reduction
  - 2022 – 15% reduction
  - 2023 – 10% reductionTo be clear, the proposal is that we would resume payment of the rent (at the reduced level) on a quarterly basis with the first payment due in January 2021

I explained the context to our current situation and the Board’s strategy in my emails dated 26 & 31 March 2020 (part of this email trail) and these remain valid. We are dealing with a dynamic situation that has driven changes to both our forecast income and expenditure and I would draw your attention to the following points, which should help you interpret the attached spreadsheet and the rationale for our request.

- Compared to our previous “Best Estimate”, our income has benefitted from two key sources of income: -
  - Increased membership from both existing and new golfers post the return of golf. People would appear to be returning to golf and we are clearly benefitting from being one of the few sports that can be played safely whilst the country remains in partial lockdown. It has been great to see the return of some younger adults, who have taken the view that football and rugby will not be returning any time soon. Our challenge will be to retain them next year when these other sports are back on the agenda. Whilst the new membership activity is encouraging, we are still forecasting a shortfall of 8% to our 2020 budget number for subscription income.

- We raised over £11k from our Members' Appeal Fund. This fund sought contributions from members whilst the country was in full lockdown. The appeal was specifically aimed at those, who had retained full pay or pension on the basis that, with limited options for discretionary spending, they would have extra cash in their pockets. The appeal more than exceeded our expectations and demonstrates the importance of the golf club in the lives of our local members.
- The increased income above has been offset by a reduction in bar and visitor income, reflecting the need for social distancing for some time to come – i.e. it will take longer than expected for these income streams to return to normal. The other variances are relatively small but are spread across our cost base reflecting the evolving landscape.
- Based on a deficit of £43k, we will have enough cash reserves to see us through to our next renewal in March 2021. However, there will be a real need for the Board to agree a realistic and achievable budget that starts to rebuild our cash reserves. In practice, this means a budget that delivers an end result much closer to a break even position.
- The “2021-2023 P&L” tab illustrates forecast financial performance over the next 3 years based on a number of assumptions. Key points to note are: -
  - The starting point on line 4 is our budget loss for 2020. We have used this as it reflects our current operating model against a normalised year. There is already some stretch in this budget figure, as compared to 2019, it assumes increased income from our bar and visitor activity. This reflects our ethos as a community based club and our decision last year to open the clubhouse facilities to the general public. We have one of the best (and cheapest) function venues in Peebles and we want to build a business that supports a variety of functions from celebratory dinners to parties and from funerals to ultimately weddings.
  - We have then set against this figure a variety of targeted cost savings (lines 6 to 23). This produces a net deficit on line 25 – i.e. the forecast net deficit for 2021 is £40,655. This level of deficit is unsustainable and the only other lever we can pull is to increase member subscription rates.
  - The table incorporating lines 43 to 57 outlines a potential fee structure over the next three years that would be required in order to reduce the deficit to a more manageable level and ultimately return the club to profitability in 2023. Line 36 highlights the positive impact the proposed fee increases have on the bottom line – i.e. the deficit in 2021 is forecast to improve from £40,655 to £12,510.
  - The key risk here lies in the proposed level of fee increases (i.e. between 12-15% in year one for our full adult and senior membership). On the back of several years of price increases, this is not an easy sell and we risk losing a proportion of our membership, which would then risk the future of the club through a lack of cash generation. Whilst the proposed fees compare well with our peer group, there has always been a strong resistance to price increases. Peebles Golf Club is a “broad church” and whilst a sizeable element of our membership would support and could afford a material price increase, there is an equally sizeable element that would resist. We need to bear in mind that local employment does not pay well and with the post Covid-19 economic recession, some of our members could find their employment status and earning capacity under threat.

So in summary, we have a fantastically supportive core membership that has really come to the fore during this crisis, not only in financial terms (Members' Appeal Fund) but also in terms of volunteering support across the course. Together with our modern clubhouse, we have a great facility that benefits both local residents and the wider economy of the town by being an attractive visitor destination.

We are working hard and making good progress in securing the short term future of the club and this will buy us time to present a revised operating model to the members that steers a path towards a sustainable future. However, selling and delivering this plan is not without risk and the club has limited scope to underachieve against future budgets.

We do not make our request to you lightly. However, as a key stakeholder, we believe that your support over the short term will help the club recover from this global crisis and secure a sustainable future that is a benefit to all concerned.

As always, the Board and I am happy to answer any queries you may have.

Kind regards

Alan Frain  
Secretary

**Peebles Golf Club Committee**



Peebles Golf Club  
Kirkland Street  
Peebles  
EH45 8EU  
Telephone 01721 720197

[Secretary@peeblesgolfclub.com](mailto:Secretary@peeblesgolfclub.com)

This page is intentionally left blank

|                                     | 2019              | 2020              | 2020              |   |
|-------------------------------------|-------------------|-------------------|-------------------|---|
|                                     | Actual            | Budget            | Estimate          | Narrative   |
| <b>Income</b>                       |                   |                   |                   |   |
| Members Subscriptions               | 254,452           | 249,242           | 228,044           | New member recruitment                            |
| Range income                        | 6,333             | 7,000             | 4,438             | 100% reduction Apr-Jun                            |
| Visitors Green Fees                 | 57,592            | 59,000            | 12,500            | Zero income Apr-Jun, 10-25% income Jul-Nov        |
| Buggy Rental                        | 14,473            | 15,000            | 2,700             | Zero income Apr-Jun, 10-25% income Jul-Nov        |
| Sponsorship                         | 9,340             | 10,000            | 8,000             | 20% reduction                                     |
| Bar Sales                           | 134,552           | 150,000           | 51,000            | Zero income Apr-Jun, 30% of PY income Jul-Nov     |
| Games Machine                       | 1,146             | 1,000             | 250               |   |
| Other Income                        | 13,312            | 7,750             | 6,975             | Reduced by 10%                                    |
| Rental - Caterer                    | 705               | 3,200             | -                 | No rental payments expected                       |
| Rental - Flat                       | 8,428             | 8,500             | 5,750             | 2.5 month void plus costs                         |
| Catering Income                     | 7,188             | -                 | -                 | N/A going forward - offset by cost below          |
| Government Grant                    | -                 | -                 | 25,000            | One off Grant                                     |
| Donations                           |                   |                   | 11,232            | Members' Appeal Fund                              |
| Profit on Sale                      | -                 | -                 | 2,182             |   |
| <b>Total Income</b>                 | <b>507,521</b>    | <b>510,692</b>    | <b>358,071</b>    |   |
| <b>Wages &amp; Fees</b>             |                   |                   |                   |   |
| Wages & Staff Costs - Greens        | 77,059            | 86,000            | 75,000            | LT & JC furloughed Apr-May. No summer help.       |
| Wages & Staff Costs - Clubhouse     | 56,234            | 59,400            | 38,000            | Reduced consistent with bar sales                 |
| Wages & Staff Costs - Admin         | 41,876            | 36,285            | 27,937            | Zero cost Apr-Jun                                 |
| Professional Retainer               | 15,882            | 18,220            | 13,036            | See SJ Retainer Tab                               |
| Professional Fees                   | 11,378            | 10,000            | 9,000             | Fixed cost  |
| <b>Total Wages &amp; Prof. fees</b> | <b>202,429</b>    | <b>209,905</b>    | <b>162,973</b>    |   |
| <b>Gross Surplus</b>                | <b>305,092</b>    | <b>300,787</b>    | <b>195,098</b>    |   |
| <b>Overheads</b>                    |                   |                   |                   |   |
| Course Maintenance & Repairs        | 11,890            | 13,000            | 9,500             | 40% reduction - 5+7 forecast                      |
| Rental Expenses                     | 15,494            | 15,800            | 12,640            | 20% reduction                                     |
| Range Costs                         | 971               | 500               | 250               | 50% reduction                                     |
| Bar Purchases                       | 61,196            | 65,700            | 23,338            | GM% in line with bar sales + £1k write off        |
| Flexible Membership                 | -                 | -                 | ( 2,520 )         | New membership category                           |
| Vehicle Running & Maintenance       | 12,793            | 13,500            | 10,450            | 30% reduction                                     |
| Course Leasing                      | 22,309            | 20,599            | 17,325            | 3 month payment holiday from LBG                  |
| Rent & Rates                        | 15,490            | 15,700            | 7,850             | 50% reduction from Common Good Fund               |
| Utilities                           | 20,085            | 22,000            | 18,500            | 20% reduction - clubhouse closed until August     |
| Contract Maint & Cleaning           | 33,475            | 33,500            | 22,233            | Reduced cleaning and waste collection             |
| Repairs & Renewals                  | 8,615             | 13,000            | 9,750             | 25% reduction                                     |
| Satellite TV                        | 7,070             | 8,500             | 2,323             | Sky & BT cancelled WEF 1st April                  |
| Administration                      | 6,834             | 7,150             | 6,078             | 15% reduction                                     |
| Office Equipment                    | 4,028             | 4,000             | 4,000             | Fixed cost  |
| Marketing & Promotion               | 1,735             | 3,000             | 3,000             | No change   |
| Subscriptions, Licenses etc         | 2,451             | 2,500             | 2,500             | Fixed cost  |
| Insurance                           | 5,785             | 6,200             | 6,200             | No change   |
| Golf Union Levies                   | 9,226             | 8,000             | 6,148             | Fixed cost  |
| Competitions                        | ( 4,015 )         | ( 2,000 )         | -                 | 100% reduction in net income                      |
| Sponsorship Expenditure             | 988               | 1,000             | -                 | 100% reduction                                    |
| Entertainment & Hospitality         | 10,084            | 6,000             | 7,000             | Scotsdale sponsorship of 2 x supper dances        |
| Bank & Finance Charges              | 7,793             | 8,100             | 7,100             | Fewer credit card transactions due to bar closure |
| Depreciation                        | 39,497            | 41,000            | 41,000            | No change   |
| Unreclaimable VAT                   | 18,222            | 20,000            | 20,292            | Sense checked by BG                               |
| Catering Costs                      | 11,428            | 2,500             | 2,125             | 15% reduction                                     |
| Training & Courses                  | 372               | 500               | 250               | 50% reduction                                     |
| Corp tax                            | 1,394             | 2,000             | 1,000             | 50% reduction                                     |
| <b>Total Operating Costs</b>        | <b>325,210</b>    | <b>331,749</b>    | <b>238,332</b>    |   |
| <b>Net Deficit:</b>                 | <b>( 20,118 )</b> | <b>( 30,962 )</b> | <b>( 43,234 )</b> |   |

|                              | 2019              | 2019              | 2020              |   |
|------------------------------|-------------------|-------------------|-------------------|---|
| <b>Cash Generation</b>       |                   |                   |                   |   |
| <b>Surplus</b>               | <b>( 20,118 )</b> | <b>( 30,962 )</b> | <b>( 43,234 )</b> |   |
| Add back depreciation        | 39,000            | 41,000            | 41,000            |   |
| Asset Purchase/Investment    |                   |                   | ( 6,500 )         |   |
| Corporation Tax (net of P&L) | ( 462 )           |                   | 606               | New sit on Rotary Mower plus pedestrian mower (£5k plus £0.5k) plus balcony furniture (£1k) |
| <b>Cash from operations</b>  | <b>18,420</b>     | <b>10,038</b>     | <b>( 8,128 )</b>  |   |

|  | Forecast          |                   |                   |
|--|-------------------|-------------------|-------------------|
|  | 2020              | 2021              | 2022              |
| <b>Original 2020 net loss</b>            | ( 30,962 )        | ( 30,962 )        | ( 30,962 )        |
| Reduction in member income               | ( 21,198 )        | ( 21,198 )        | ( 40,748 )        |
| Reduction in visitor, buggy income       | ( 58,800 )        | ( 15,000 )        |                   |
| Reduction in net bar income              | ( 35,238 )        |                   |                   |
| Reduction in sponsorship                 | ( 2,000 )         |                   |                   |
| Grants, donations                        | 36,232            |                   |                   |
| Saving on PCGF rental                    | 7,850             | 3,140             | 2,355             |
| Savings - wages                          | 19,348            | 11,880            | 11,880            |
| Savings - SJ retainer                    | 5,184             | 9,110             | 9,110             |
| Saving - SKY/BT                          | 6,177             | 8,500             | 8,500             |
| Saving - cleaning and utilities          | 14,767            |                   |                   |
| Saving - repairs & maintenance           | 6,750             |                   |                   |
| Savings - professional fees              | 1,000             | 2,000             | 2,000             |
| Saving - SG affiliation fee (25% rebate) | 1,852             |                   |                   |
| Savings - other                          | 5,805             |                   |                   |
| Assumed Cost inflation of 1.5%           |                   | ( 8,125 )         | ( 8,125 )         |
| <b>Adjusted Net loss</b>                 | <b>( 43,234 )</b> | <b>( 40,655 )</b> | <b>( 45,990 )</b> |

#### Impact of Fee Increase

|                             |            |            |
|-----------------------------|------------|------------|
| 125% of 2020 member numbers | 86,555     | 99,492     |
| 110% of 2020 member numbers | 51,509     | 62,894     |
| 100% of 2020 member numbers | 28,145     | 38,495     |
| 80% of 2020 member numbers  | ( 18,583 ) | ( 10,303 ) |

#### Revised net loss inclusive of fee increase

|                                    |                   |                   |
|------------------------------------|-------------------|-------------------|
| 125% of 2020 member numbers        | 45,900            | 53,502            |
| 110% of 2020 member numbers        | 10,854            | 16,904            |
| <b>100% of 2020 member numbers</b> | <b>( 12,510 )</b> | <b>( 7,495 )</b>  |
| 80% of 2020 member numbers         | <b>( 59,238 )</b> | <b>( 56,293 )</b> |

|               | Potential Fee Structure |              |      |
|---------------|-------------------------|--------------|------|
|               | Actual                  | Target Rates |      |
|               | 2020                    | 2021         | 2022 |
| Gents         | 560                     | 625          | 650  |
| Gents OAP     | 495                     | 570          | 595  |
| Ladies        | 560                     | 625          | 650  |
| Ladies OAP    | 495                     | 570          | 595  |
| Intermediate  | 395                     | 460          | 485  |
| Young adult   | 300                     | 365          | 390  |
| Youth         | 165                     | 190          | 200  |
| Student       | 165                     | 190          | 200  |
| Get into Golf | 299                     | 299          | 299  |
| 5-day         | 400                     | 465          | 490  |

|              |     |     |     |
|--------------|-----|-----|-----|
| Country      | 220 | 350 | 375 |
| Junior 16-17 | 100 | 125 | 140 |
| Junior 12-15 | 70  | 75  | 85  |
| Junior < 12  | 50  | 60  | 70  |
| Social       | 30  | 30  | 30  |

|             |
|-------------|
|             |
| <b>2023</b> |

( 30,962 )

( 40,748 )

1,570

11,880

9,110

8,500

2,000

( 8,125 )

|                   |
|-------------------|
| <b>( 46,775 )</b> |
|-------------------|

112,605

74,433

48,985

( 1,911 )

|                   |
|-------------------|
| <b>65,830</b>     |
| <b>27,658</b>     |
| <b>2,210</b>      |
| <b>( 48,686 )</b> |

|             |
|-------------|
|             |
|             |
| <b>2023</b> |

675

620

675

620

510

415

210

210

299

515

400  
165  
100  
80  
30

Assumed baseline for 2021-2023

£249k (original forecast) less £228k (reforecast)

Assumes some lasting impact to visitor numbers next year

Net margin represents bar sales less bar purchases and bar wages

£25k grant (actual), £10k donations (estimate)

2020 includes waiver of 2 quarter payments. 2021-2023 assume 20%, 15%, 10% discount

2020 includes savings on furlough, summer green help. 2021-2023 assumes improved bar efficiency

2020 includes zero retainer for 3 months then 50% for rest of year, 2021-2023 assumes 50% all year

Moving certain accounting services in-house

Assumed scenario for cash flow projections

Document is Restricted

This page is intentionally left blank