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WILLIAM HILL TRUST SUB-COMMITTEE TUESDAY, 14 DECEMBER 2021

A MEETING of the WILLIAM HILL TRUST SUB-COMMITTEE will be held VIA MICROSOFT

TEAMS on TUESDAY, 14 DECEMBER 2021 at 1.30 pm

J. J. WILKINSON,
Clerk to the Council,

7 December 2021

BUSINESS		
1.	Apologies for Absence.	
2.	Order of Business.	
3.	Declarations of Interest.	
4.	Minute. (Pages 3 - 4) Consider Minute of the Meeting held on 24 August 2021	2 mins
5.	Monitoring Report 6 Months to 30 September 2021 (Pages 5 - 12) Consider Report by Director Finance and Corporate Governance. (Copy attached.)	10 mins
6.	Application for Financial Assistance (Pages 13 - 20) Consider application from Galashiels and Area Foodbank. (Copy attached.)	10 mins
7.	Any Other Items Previously Circulated.	
8.	Any Other Items which the Chairman Decides are Urgent.	

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 D. Parker (Chairman), J. Linehan, T. Miers and
Community Councillor W Windram

Please direct any enquiries to William Mohieddeen
Tel:01835 826504; Email: william.mohieddeen@scotborders.gov.uk

**SCOTTISH BORDERS COUNCIL
WILLIAM HILL TRUST SUB-COMMITTEE**

MINUTE of Meeting of the WILLIAM HILL TRUST SUB-COMMITTEE held via Microsoft Teams on Tuesday, 24 August 2021 at 1.30 p.m.

Present:- Councillors D. Parker (Chairman), T. Miers
Apologies:- Councillor J. Linehan
In Attendance:- Pensions & Investment Manager, Principal Solicitor, Democratic Services
Team Leader, Democratic Services Officer (W. Mohieddeen)

1. **MINUTES**

There had been circulated copies of the Minutes of 15 June 2021.

DECISION

NOTED the Minutes.

2. **BUDGET MONITORING REPORTS FOR 3 MONTHS TO 30 JUNE 2021**

There had been circulated copies of a report by the Executive Director Finance & Regulatory detailing income and expenditure for the William Hill Trust Fund for three months to 30 June 2021. The report provided the projected income and expenditure for 2021-22 which showed a projected surplus of £670. The Pensions and Investments Manager noted that the Aegon Asset Management Investment Fund had performed as anticipated.

DECISION

AGREED:-

- (a) **the projected income and expenditure for 2021/22 in Appendix 1 to the report as the revised budget for 2021/22;**
- (b) **to note the projected balance sheet value as at 31 March 2022 in Appendix 2 to the report;**
- (c) **to note the current position of the Aegon Asset Management Investment Fund in Appendix 3 to the report.**

3. **GRANT SUMMARY**

With reference to paragraph 3 of the Minute of the meeting held on 15 June 2021, there had been circulated copies of a summary of grants and donations made by the William Hill Trust since 2006/2007. Members were grateful for the information and noted that the spreadsheet had not been presented clearly in the agenda pack. Members thanked the Pensions and Investments Manager for the information and requested it to be resent in a spreadsheet format.

DECISION

AGREED:-

- (a) **to note the information in the grant summary; and**
- (b) **that information be resent to members in a spreadsheet.**

4. **APPLICATION FOR FINANCIAL ASSISTANCE**

There had been circulated copies of an application for financial assistance from Melrose and District Community Council. The application requested financial assistance of £1048.80 to upgrade Christmas light equipment. The total cost of the project was £2548.80 and an application had already been made to the Eildon Community Fund for £1,500. Members were happy to support the application

DECISION

AGREED to award a grant of £1048.80 to Melrose Community Council.

The meeting concluded at 1.45 p.m.



MONITORING REPORT FOR 6 MONTHS TO 30 SEPTEMBER 2021

Report by Director – Finance & Corporate Governance WILLIAM HILL TRUST FUND SUB-COMMITTEE

14 December 2021

1 PURPOSE AND SUMMARY

1.1 This report provides the details of the income and expenditure for the William Hill Trust Fund for six months to 30 September 2021, a full year projected out-turn for 2021/22, and projected balance sheet values as at 31 March 2022.

1.2 Appendix 1 provides the projected income and expenditure position for 2021/22. This shows a projected surplus of £670 for the year.

1.3 Appendix 2 provides a projected balance sheet value as at 31 March 2022. It shows a projected increase in reserves of £670.

1.4 Appendix 3 shows the value of the Aegon Asset Management Investment Fund to 30 September 2021.

2 RECOMMENDATIONS

2.1 It is recommended that the Trust Fund Sub-Committee:

(a) Notes the projected income and expenditure for 2021/22 in Appendix 1;

(b) Notes the projected balance sheet value as at 31 March 2022 in Appendix 2;

(c) Notes the current position of the Aegon Asset Management Investment Fund in Appendix 3.

3 BACKGROUND

3.1 This report provides the Committee with financial information for the period to 30 September 2021 and projections to 31 March 2022. The report also contains a projected balance sheet for the Trust Fund as at 31 March 2022.

4 FINANCIAL POSITION 2021/22

4.1 Appendix 1 provides details on income and expenditure for the 2021/22 financial year. The projected net position for the year is a surplus of £670.

4.2 Income & Expenditure – Non-Property Related Income

(a) The projected outturn position shows an amount of £170 relating to interest receivable on cash held by SBC. Also included are dividends from the Common Good Funds investment in Aegon Asset Management amounting to £7,385 which is currently estimated at 4.5% return. As a result of the market value dropping due to the impact of the COVID-19, this projected 4.5% return is less than the 5% target and the monthly distribution profile projections provided by Aegon. The position will be monitored closely with Aegon Asset Management.

(b) Included within other income is a rebate from Aegon Asset Management of £45 which, along with the £44 received in March 2021, has been re-invested to purchase an additional 82 units.

4.3 Income & Expenditure – Donations from Other Trusts.

(a) Projections for 2021/22 have been updated to include donations from the Greenyards Trust and Gibson Park. As the full economic recovery from the COVID-19 impact is not yet known the projections for 2021/22 have been calculated using an average of the previous 3 years' donations.

4.4 Income & Expenditure – Grants & Other Donations

The grants and other donations approved and distributed to 31 March 2022, are shown below:

Grant Recipients	Approved	£
Approved and Paid to 30 June 2021		
Melrose Football Club	18/05/21	3,500
Melrose Rugby Club	15/06/21	10,000
Melrose Community Council	24/08/21	1,049
Sports Champion Melrose Primary	Annual	40
Total Paid to 31 March 2022		14,589
Approved but not yet paid		0
Total Grants Approved		14,589
Approved Budget 2021/22		15,000
(Unallocated)/Over allocated Budget		411
Approved but not yet paid 2022/23		
Sports Champion Melrose Primary	Annual	40

4.5 Appendix 2 provides the actual balance sheet value as at 31 March 2021, the projected movement in year and a projected balance sheet as at 31 March 2022.

4.6 **Balance Sheet –Investment Fund**

The fund has a 0.36% unrealised gain in market value since investment, largely due to continued volatility in investment markets. Overall, taking account of the income received the fund has achieved a return of 19.52% since investment in February 2018.

4.7 **Balance Sheet – Cash Balance**

The cash held by the fund is projected to be £41,998 at 31 March 2022 and is detailed below:

Cash Balance	£
Opening Balance at 1 April 2021	41,495
Projected surplus for year from Income & Expenditure Statement	670
Net Cash Movement in Debtors/Creditors	0
Rebate Investment in Aegon	(167)
Projected Closing Balance at 31 March 2022	41,998

4.8 **Balance Sheet – Capital Reserve**

The movement in the Capital Reserves include the unrealised loss for the Aegon Asset Management Fund as at 31 March 2021 but due to the nature of the markets no estimate has been made for future 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 Aegon Asset Management 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 **Intergrated Impact Assessment**

There is no impact or relevance to Equality Duty or the Fairer Scotland Duty for this report. This is a routine financial monitoring report which forms part of the governance of the 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 Sustainable Development Goals

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 Trust Fund more sustainable in the future.

5.5 Climate Change

There are no effects on climate change 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 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

5.8 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 (including as Monitoring Officer), the Chief Officer Audit and Risk, Director (People Performance & Change), the Clerk to the Council and Communications have been consulted and their appropriate comments have been incorporated into this report.

Approved by

David Robertson

Director, Finance & Corporate Governance

Signature

Author(s)

Kirsty Robb	Pension and Investment Manager – Tel: 01835 825249
Sara Halliday	Treasury Business Partner – Tel: 01835 824000 Extn 5854

Background Papers:

Previous Minute Reference: William Hill Trust Fund Committee 24 August 2021.

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

PROJECTED INCOME AND EXPENDITURE 2021/22

	Actuals at 30/09/21	Full Year Approved Budget 2021/22	Full Year Projected Outturn 2021/22	Full Year Projected Over/ (Under) Spend 2021/22	Para Ref	Commentary
	£	£	£	£		
INCOME						
Non-Property Related Income						
Interest on Cash deposited with Council	0	(170)	(170)	0	4.2	4.5% return
Investment Fund – Dividends Rec'd	(3,742)	(7,385)	(7,385)	0	4.2	
Misc Income	(45)	(170)	(170)	0	4.2	
	(3,787)	(7,725)	(7,725)	0		
Donations from Other Trusts						
Greenyards Trust	0	(295)	(295)	0	4.3	Ave. 3 year
Gibson Park	0	(7,650)	(7,650)	0	4.3	Ave. 3 year
	0	(7,945)	(7,945)	0		
TOTAL INCOME	(3,787)	(15,670)	(15,670)	0		
EXPEDITURE						
Running costs –						
Grants & Other Donations						
General Fund	14,589	15,000	15,000	0	4.4	
TOTAL EXPENDITURE	14,589	15,000	15,000	0		
Total Net (Surplus)/Deficit for year	10,802	(670)	(670)	0		

PROJECTED BALANCE SHEET VALUE AT 31 MARCH 2022

	Opening Balance at 01/04/21	Projected Movement in Year	Projected Closing Balance at 31/03/22
	£	£	£
Capital in Investment Funds			
Investment Fund Book Value	179,349	167	179,516
Unrealised Gains/(Loss)	(125)	0	(125)
Market Value	179,224	167	179,391
Current Assets			
Debtors	644	0	644
Cash deposited with SBC	41,495	503	41,998
Total Current Assets	42,139	503	42,642
Current Liabilities			
Creditors	0	0	0
Total Current Liabilities	0	0	0
Net Assets	221,363	670	222,033
Funded by: Reserves			
Revenue Reserve Fund	(107,160)	(670)	(107,830)
Capital Reserve Fund	(114,203)	0	(114,203)
Total Reserves	(221,363)	(670)	(222,033)

INVESTMENTS EXTERNALLY MANAGED

Book Value Movements	Units	£
Aegon Asset Management Investment (12 February 2018)	137,529	148,903
Aegon Fund Rebate – (2018-2019)	141	152
Aegon Asset Management Investment (February 2020)	26,295	30,000
Aegon Fund rebate – (2019-2020)	114	127
Aegon Fund Rebate – (2020-2021)	166	167
Aegon Fund Rebate – (2021-2022)	82	89
Total Book Value as at 30 June 2021	164,327	179,438

Market Value of Investment	£
31 March 2018	154,910
Fund 1 – Transfer (1 April 2018)	(199)
Fund 2 – Transfer (1 April 2018)	(5,807)
1 April 2018	148,904
31 March 2019	150,088
31 March 2020	150,723
31 March 2021	179,224
30 June 2021	179,826
30 September 2021	178,558
Increase/(Decrease) from Total Cash Invested	(880)

Return on Investment from inception	Capital Return %	Total Return %
to 31 March 2018	-0.30	
to 31 March 2019	+3.86	+9.41
to 31 March 2020	-15.16	-5.98
to 30 June 2020	-8.52	+2.76
to 30 September 2020	-7.91	+4.83
to 31 December 2020	-0.61	+14.09
to 31 March 2021	+0.78	+16.84
to 30 June 2021	+1.10	+18.71
to 30 September 2021	+0.36	+19.52

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WILLIAM HILL TRUST FUND
APPLICATION FOR FINANCIAL ASSISTANCE

Applicant Details

Galashiels and Area Foodbank (GAF)

Name and Address of
Applicant/Organisation:

East Faldonside Lodge

Melrose

TD6 9BG

Registered SCIO No: SC050850

Telephone No:

0777 1513 694

Address to which payment
should be made:

Royal Bank of Scotland

Account No: 00661786

Sort Code:16-12-85

Account Name: Galashiels Foodbank

Activities

Please supply a brief
description of the activities
of your organisation and
the benefits it brings to the
local community:

The organisation's purposes are to relieve poverty, suffering and distress of persons in the Scottish Borders by providing food and other items free or at subsidised cost.

Assistance Requested

Please indicate the sum
requested and the purpose
for which it will be used:

We are requesting any sum up to £3000 which is an estimate of the assistance GAF provides to Melrose residents annually. (Please see notes for explanation of this amount).

When will the donation be
required:

As soon as possible given our monthly expenditure currently exceeds our monthly income.

If this is a one-off project then please give the following details –

The requested funds are for ongoing relief of poverty and hunger in the Melrose area.

Date (s):

Estimated total cost:

Funds already raised by applicant's own efforts:

We are fortunate to receive a number of regular monthly donations from individuals & benefactors ranging in size from £5 to £100. We received a number of large one off donations around the 2020 Christmas period.

Funds raised or expected to be raised from other sources (please state sources):

We are actively fundraising from a number of new sources including:

- Congregations from the Galashiels and Melrose area
- New donations via Trustee contacts and networks
- Donations from additional trusts in the Galashiels area

Other information

If you have other information which you feel is relevant to this application please provide details including details of any previous assistance given:

Galashiels and Area Foodbank help relieve hunger in the Melrose and wider area. We have data protection regulations which mean we don't keep individual names and dates so have provided estimates of the assistance and costs for the Melrose area.

We estimate in the prior year to June 2021 food parcels were given out to feed approximately 160 adults and 180 children in the Melrose area. Some of this was individuals and families who were being given food every week for a number of weeks. Some were for people who were on chronically low wages etc so they came to us every other week, or had longer periods when they did not need our help. Some were one-offs or people who needed food for a short stretch of time, e.g. waiting for benefits etc.

We generally provide approximately £10 of food per Adult person for a week of support. Childrens support is combined with Adult packages such that a family of 4 might cost approximately £30-£35. We therefore estimate our relief efforts in Melrose are approximately £3000 annually.

We have not at this time received any additional assistance via Scottish Borders Council or funds it controls.

Declaration

I hereby make application for assistance as set out above and certify that the information I have provided is accurate

Signed: Scott Prophet

Position Held: Trustee of the Galashiels and Area Foodbank

Date: 26/10/21

Note: All applications from organisations MUST be accompanied by a copy of the latest audited accounts

Galashiels and Area Foodbank (GAF) was awarded SCIO charitable status in March 2021. As such we have not yet submitted audited accounts. For context GAF supports circa 100 - 120 clients across the region every week for the prevention of hunger and alleviation of poverty. Our average monthly spend is in the region of £5000 while regular monthly income(donations) is closer to £2000 - £2500. We are fortunate to have received a small number of one off large donations at the end of 2020 to allow our work to continue, but this is not the norm month to month. We are now actively seeking new donations to close our funding gap.

This completed form, accounts and any supporting details should be submitted to Democratic Services, Scottish Borders Council, Council Headquarters, Newtown St Boswells, TD6 0SA. ComPap@scotborders.gov.uk Telephone 01835 826585

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Galashiels and Area Food Bank

Receipts & Payments Account

for the year To: 31 October 2020

Receipts	2021-22 Restricted	2021-22 General	2021-22 Total	2020-21 Restricted	2020-21 General	2020-21 Total
			£			£
Donations		23,739.00	23,739.00			0.00
Bank interest	0.00	0.00	0.00			0.00
Grants		0.00	0.00			0.00
Miscellaneous		0.00	0.00			0.00
	<u>0.00</u>	<u>23,739.00</u>	<u>23,739.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Payments						
Food		34,356.62	34,356.62			0.00
Rent		2,450.00	2,450.00			0.00
Phone	0.00	170.03	170.03			0.00
Misc		4,250.05	4,250.05			0.00
	<u>0.00</u>	<u>41,226.70</u>	<u>41,226.70</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Surplus for period			<u>-£17,487.70</u>			<u>£0.00</u>

Statement of Balances

	Oct 2021	March 2021
Surplus from prior year	37,736.00	
Surplus shown on receipts and payments account	-17,487.70	
Bank balances at end of period	<u>£20,248.30</u>	<u>£37,736.00</u>
PrePaid Card at end of period		
Other assets (liabilities)		
Due to donor		<u>£0.00</u>

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Commentary on application from Scott Prophet, Galashiels and Area Foodbank

I hope you are well. As requested I am submitting an unaudited /unchecked 6 month view of our financial position in the attached spreadsheet. The spreadsheet is to be used as the basis for preparing our first year accounts and so should contain the information you need. I suggest you focus on the first tab 'Ann Accs' in the first instance although details of our income (donations), payments and bank balances are available in subsequent tabs.

In terms of predicting our position at year end I would offer the following commentary. While Galashiels and Area Foodbank (GAF) started the financial year strongly with Cash at bank of over £37,000, through the March to July period we saw an increase in requests for assistance well beyond our standard monthly donations. As the Trustees have a policy of ensuring at least 3 months of funds are available it was recognised that additional funding would be needed and hence our fund raising drive. Our Cash at bank had halved by September although we have seen an increase in donations in September and October partly relating to our fund raising. We have also seen a decrease in the requests for assistance in the last month (we are investigating why this would be the case) resulting in our current cash at bank of approx £20,000. If requests for assistance return to peak levels this does represent around 3 months required funding on hand. Assuming that our fund raising continues to produce results and requests for assistance remain roughly as currently we would expect to remain at 3- 5 months funding availability. We have been fortunate in the past to receive large donations over the Christmas period although have no ability to predict if this will occur again and as such the Trustees are continuing the fund raising drive. We will continue to manage the situation as you would expect.

I hope the above provides you the information that you require. If there are any questions please do not hesitate to contact me and I will be happy to try and assist.

- ENDS -

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