

SCOTTISH BORDERS COUNCIL

SELKIRK COMMON GOOD FUND SUB COMMITTEE

MINUTES of Meeting of the SELKIRK
COMMON GOOD FUND SUB COMMITTEE
held in via Microsoft Teams on Wednesday,
13 September 2023 at 4.00 pm

Present:- Councillors C. Cochrane (Chair), L. Douglas, E. Thornton-Nicol and King and
Community Councillor I. King
In Attendance:- Estates Surveyors (T. Hill and A. Watson), Solicitors (F. Rankine and J.
Webster), Statutory Accountant (G. Reid), Democratic Services Officer (D.
Hall).

1. MINUTES AND ACTION TRACKER

- 1.1 There had been circulated copies of the Minutes of the meetings held on 7 June 2023 and 10 July 2023. With reference to paragraph 1.2 of the Minute of 7 June 2023, Community Councillor King sought assurances that investigations and work related to insurance was still ongoing. The Solicitor, Ms Jane Webster, confirmed that discussions with the insurance department were ongoing and that the relevant information would be reported back once it was available. Regarding reference in the Minute to Community Councillor King expressing “gratitude for a response regarding the legal ownership of Common Good Funds”, Mr King disputed the use of the word gratitude as an accurate summation of his reaction. Whilst Mr King may have been grateful for a response, he did not express gratitude. The Minute would be amended to replace “expressed his gratitude for a response” with “was grateful for a response”. Mr King disputed the explanation that “further discussion regarding the ownership and administration of the Common Good could be a topic for further discussion”. Mr King requested that the word “could” be replaced by “would”. The Minute would be amended accordingly. The Solicitor acknowledged that there remained a disagreement regarding ownership of the Common Good Fund and its assets, and Community Councillor King and Scottish Borders Council officers had agreed to disagree regarding ownership. With regard to paragraph 3.3, Community Councillor King expressed his concern that he had not been invited to a site visit with the Heritage and Design Officer at the Sir Walter Scott Memorial. The Chair explained that the site visit had not taken place, and that she expected that when the visit did take Community Councillor King would be invited.

DECISION

AGREED to approve the Minute, as amended, for signature by the Chairman.

1.2 Action Tracker

The action tracker had been circulated.

DECISION

NOTED the action tracker.

2. MONITORING REPORT FOR 3 MONTHS TO 30 JUNE 2023

There had been circulated copies of a report by the Director – Finance and Procurement which his report provided the details of the income and expenditure for the Selkirk Common Good Fund for the three months to 30 June 2023, a full year projected out-turn for 2023/24, and projected balance sheet values as at 31 March 2024. Appendix 1 to the report provided the projected income and expenditure position for 2023/24. That showed a projected deficit of £2,763 for the year, which was less than the previously reported surplus on 7 June 2023, as a result of an increase in the property repairs budget. Appendix 2 to the report provided a projected balance sheet value as at 31 March 2024. It shows a projected decrease in reserves of £142,039. A breakdown of the property portfolio showing projected rental income and projected net return for 2023/24 and actual

property income to 30 June 2023 was provided in Appendix 3a to the report. Appendix 3b provided a breakdown of the property portfolio showing projected property expenditure for 2023/24 and actual property expenditure to 30 June 2023. A breakdown of the property portfolio showing projected property valuations at 31 March 2024 was provided in Appendix 4 to the report. Appendix 5 showed the value of the Aegon Asset Management Investment Fund to 30 June 2023. The Statutory Accountant, Mr Gordon Reid, presented the report and responded to questions. Mr Reid highlighted that because the tenant had withdrawn their offer to lease 28 Market Place there would be an impact associated with the loss of rental income. The Estates Surveyor, Ms Tricia Hill, confirmed that the works to refurbish 28 Market Place had proceeded as agreed. With regard to the revaluation reserve, Mr Reid explained that it was hoped that the works to refurbish 28 Market Place would offset depreciation. In response to a question regarding the depreciation associated with the caretakers flat at Victoria Hall, Mr Reid undertook to explore the issue with Estates and ensure that an update was provided at a future meeting. Mr Reid explained that he was attending the meeting as part of an interim arrangement and confirmed that he would raise displaying the value of fixed assets with his successor. It was highlighted that insurance arrangements for assets remained unclear and that it was of paramount importance that photographs, and full documentation of fixed assets should be in place to cover assets in the event of fire, theft, or loss of any description. Mr Reid undertook to explore the insurance of assets, including the thoroughness of their valuation and whether appropriate documentation and evidence of their condition was in place. In response to a question regarding the valuation and depreciation of farms, Mr Reid explained that the depreciation referred to was based on the likely lifespan of buildings. The land holdings were not depreciating in value. The revaluation referred to in the report was carried out every five years, and it was possible that there could be a significant uplift in the value of individual farms once that exercise was undertaken.

DECISION

(a) AGREED:-

- (i) that the Statutory Accountant would investigate the depreciation charges associated with the Caretakers Flat at Victoria Hall with the Estates Department;**
- (ii) that the Statutory Accountant would investigate providing fixed asset values as part of future reports; and**
- (iii) that the Statutory Accountant would explore whether appropriate photographic evidence and documentation of assets existed for insurance purposes, and whether insurance arrangements in place were sufficiently thorough to afford the appropriate level of protection from fire, theft, and loss.**

(b) NOTED:-

- (i) the actual income and expenditure for 2023/24 in Appendix 1 to the report as the revised budget for 2023/24;**
- (ii) the projected balance sheet value as at 31 March 2024 in Appendix 2 to the report; and**
- (iii) the summary of the property portfolio in Appendices 3 and 4 to the report; and**
- (iv) the current position of the Aegon Asset Management Investment Fund in Appendix 5 to the report**

3. PROPERTY

The Estates Surveyor, Ms Tricia Hill, explained that she did not have any matters related to Common Good property to discuss in public. The Property Officer, Mr Gareth Smith, was unable to attend the meeting. No matters were discussed.

**DECISION
NOTED**

4. **3 BRETHREN FENCE**

In the absence of the Property Officer, it was agreed that a discussion regarding the 3 Brethren Fence would take place at the next meeting of the Selkirk Common Good Fund Sub-Committee.

DECISION

AGREED to discuss the 3 Brethren Fence at the next meeting of the Common Good Fund Sub-Committee.

DECLARATION OF INTEREST

Councillor Douglas and Community Councillor King declared an interest in the following item of business and did not take part in the discussion.

5. **SELKIRK HILL MANAGEMENT GROUP**

There had been circulated copies of a letter from the Selkirk Hill Management Group which requested that payment of the current year's annual £10,000 maintenance grant be paid. The Solicitor explained that the five-year agreement was still being drafted, would be circulated as soon as it was ready, and that once it was in place it was expected that payment could be made promptly. The Statutory Accountant, Mr Reid, explained that payment was due to be paid in November, but could be expedited. It was confirmed that the Selkirk Hill Management Group had amended their financial year to follow the standard financial year.

DECISION

AGREED to expedite the payment of the 2023/24 grant to Selkirk Hill Management Group.

MEMBER

Community Councillor King requested that a discussion take place on the Integrated Impact Assessment (IIA) which had been circulated with the agenda. Concerns were expressed regarding the lack of reference to sustainability in the context of the Common Good and the wider Council. Mr King expected that there should be a policy in place regarding the improvement of the quality and condition of Common Good owned assets in the context of sustainability and energy conservation. It was highlighted that sustainability was not one of the headings of the impact assessment. Members explained that the IIA was directly related to the Equalities Act 2010 and was concerned with assessing the impact of Council reports on individuals with protected characteristics. Sustainability was embedded into all the Council's strategic thinking, and all monitoring reports and every council paper was produced in the context of the Council having signed up to the sustainable development goals and other climate change commitments. It was highlighted that the IIA referred to specifically related to the financial monitoring report.

6. **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 8 of Part I of Schedule 7A to the Act.

SUMMARY OF PRIVATE BUSINESS

7. **PRIVATE MINUTES AND ACTION TRACKER**

The Private sections of the Minutes of the Meetings held on 7 June 2023 and 10 July 2023 were approved for signature by the Chair.

8. **PROPERTY**

The Sub-Committee received an update on private matters relating to Common Good owned property.

The meeting concluded at 5.00 pm