

SCOTTISH BORDERS COUNCIL
KELSO COMMON GOOD FUND SUB-COMMITTEE

MINUTE of MEETING of the KELSO COMMON
GOOD FUND SUB-COMMITTEE held in the
COUNCIL CHAMBER, COUNCIL
HEADQUARTERS, NEWTOWN ST BOSWELLS on
Wednesday, 6 December 2017 at 11.00 a.m.

Present:- Councillors S. Mountford, E. Robson, Community Councillor C. McGrath.
Apologies:- Councillor T. Weatherston.
In Attendance:- Capital and Investments Manager, Solicitor (Karen Scrymgeour), Democratic
Services Officer (F. Henderson).
Members of the Public:- 0.

1.0 CHAIRMAN

1.1 In the absence of Councillor Weatherston the meeting was chaired by Councillor Mountford.

2.0 MINUTE

2.1 There had been circulated copies of the Minute of the Kelso Common Good Fund Sub-Committee held on 7 November 2017.

DECISION

AGREED to note the Minutes for signature by the Chairman.

3.0 UPDATE – PINNACLEHILL WOODLANDS

3.1 With reference to paragraph 3 of the Minute of 21 June 2017, the Chairman sought an update on the progress of the work to be undertaken. The Democratic Services Officer advised that she would seek an update from the Estates Manager and report back to the next meeting.

DECISION

AGREED that the Democratic Services Officer would seek an update from the Estates Manager and report back to the next meeting.

4.0 MONITORING REPORT FOR 3 MONTHS TO 30 SEPTEMBER 2017

4.1 There had been circulated copies of a report by the Chief Financial Officer which provided the income and expenditure for the Kelso Common Good for the six months to 30 September 2017 and full year projected out-turn for 2017/18 and projected balance sheet values as at 31 March 2018. Appendix 1 provided the projected income and expenditure position for 2017/18 which showed a surplus of £847. Appendix 2 provided the balance sheet value to 31 March 2018 and showed a decrease in reserves of £41,653. Appendix 3 provided a breakdown of the property portfolio showing projected depreciation charges and actual property expenditure to 30 September 2017. Appendix 4 showed the value of the Newton Fund to 30 September 2017. The Capital and Investments Manager advised that the Newton Fund had once again delivered a negative return (-0.6% against benchmark of +1.1) in the quarter to 30 September 2017. General hedging against risk within the portfolio had contributed to this negative return and negative returns from corporate and government bonds were also seen. Equities within the fund generated positive returns, but underperformed against broader equity markets which were driven by cyclical factors. Importantly, this negative quarterly return had resulted in a 5 year rolling return which was below the 5 year benchmark, which the fund was ultimately measured against (3.6% against benchmark of 4.4%). The fund has delivered below benchmark performance in the last 5 quarters. Scottish Borders Council approved the commencement of a procurement exercise to ensure the funds are managed by the Fund Manager best aligned to the Common Good & Trust Investment Strategy. The outcome of the procurement exercise will be reported to Scottish Borders Council on 21 December 2017 for final approval. The next dividend was due on 31 December 2018 and it was anticipated

that the Fund would move after that. There would be a Trustees meeting and workshops for Elected Members in August 2018.

DECISION

- (a) AGREED the projected income and expenditure for 2017/18 as shown in Appendix 1 to the report.**
- (b) NOTED:-**
 - (i) The projected balance sheet value as at 31 March 2018 in Appendix 2 of the report;**
 - (ii) the summary of the property portfolio in Appendix 3 of the report;**
 - (iii) the current position of the investment in the Newton Fund contained in Appendix 4 of the report.**

DECLARATION OF INTEREST

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

5.0 APPLICATIONS FOR FINANCIAL ASSISTANCE

5.1 KELSO CHRISTMAS DECORATION FUND

As Councillor Mountford had declared an interest, the meeting was no longer quorate for this item of business and therefore a decision could not be made. The application was therefore deferred to a future meeting of the Common Good Fund Sub-Committee.

5.2 KELSO OVER 60S CLUB

There had been circulated copies of an application for Financial Assistance from Kelso Over 60s Club. It was explained that the Club provided Outings, Entertainment and an Annual Christmas Dinner for Over 60s within the Kelso area. The application presented to the Sub-Committee was a request for £400 towards the cost of the Annual Christmas Dinner. The Sub-Committee were of the opinion that the application lacked detail on the number of members benefiting from the Christmas Dinner and whether there were any fundraising activities or applications made to other funding streams. Following some discussion, the Sub-Committee agreed to award the sum of £400 towards the 2017 Christmas Dinner and to advise the Club that although future applications would be considered, the Common Good Fund Sub-Committee was unable to guarantee financial assistance on an annual basis.

DECISION

AGREED:-

- (a) to support the application for financial assistance for Kelso Over 60s Club in the sum of £400 towards the costs of the Annual Christmas Dinner in 2017;**
- (b) that although future applications would be considered from the Over 60s Club, the Common Good Fund Sub-Committee was unable to guarantee financial assistance on an annual basis; and**
- (c) that future applications contain more detail i.e. information on the number of members, fundraising events, subscription per person etc.**

The meeting closed at 11.20 a.m.