

SCOTTISH BORDERS COUNCIL GALASHIELS COMMON GOOD FUND SUB COMMITTEE

MINUTE of Meeting of the GALASHIELS
COMMON GOOD FUND SUB COMMITTEE
held in Committee Room 3, Council
Headquarters, Newtown St Boswells. on
Thursday, 8 March 2018 at 2.00 pm

- Present:- Councillors S. Aitchison (Chairman), A. Anderson, E. Jardine and Community Councillor R. Kenney.
- Apologies:- Councillor H. Scott
- In Attendance:- Pensions and Investments Manager (K. Robb), Chief Legal Officer, Managing Solicitor - People and Court (C. Donald), Estates Manager (N. Hastie), Democratic Services Officer (F. Walling).

1. **MINUTE.**

There had been circulated copies of the Minute of 7 December 2017.

DECISION

APPROVED the Minute for signing by the Chairman.

2. **FINANCIAL MONITORING REPORT FOR 6 MONTHS TO 31 DECEMBER 2017.**

- 2.1 There had been circulated copies of a report by the Chief Financial Officer providing details of the income and expenditure for the nine months to 31 December 2017, a full year projected out-turn for 2017/18 and projected balance sheet values as at 31 March 2018. The Pensions and Investments Manager, Kirsty Robb, highlighted the main points of the report and appendices. Appendix 1 to the report provided a projected income and expenditure position, showing a projected surplus of £2,630 for the year. There had been no requests for financial assistance from the Galashiels Common Good Fund and the approved budget of £500 remained to be disbursed. The cash held by the Fund was projected to be £12,509 at 31 March 2018. The projected Balance Sheet as at 31 March 2018, shown in Appendix 2 to the report, indicated a projected decrease in the reserves of £33,562 due to the depreciation charge. The breakdown of the property portfolio detailing the values of the individual properties and projected depreciation charges for 2017/18 was shown in Appendix 3.
- 2.2 Appendix 4 showed the value of the Newton Fund to 31 December 2017. The fund produced a positive return in the quarter to 31 December 2017, albeit below its benchmark (0.4% against benchmark of 1.1%). For the second consecutive quarter the 5 year annualised return, which the fund was ultimately measured against was below benchmark (4.1% against 4.4%). Following the Council approved procurement exercise undertaken in November 2017, Kames Capital had been appointed as a new Fund Manager for Common Good and Trust Fund investments. Kames Capital offered a Diversified Income Fund, designed to give the same capital preservation and divided income structure but with a track record of better returns on capital and dividend income. The appointment of this Fund Manager was in line with the Common Good & Trusts Investment Strategy and was approved at Council on 21 December 2017. The transfer of investments from Newton to Kames was carried out in early February. The market value of the Newton Investment at this time had resulted in a loss on the original investment (£878). However the first part year dividend received from Newton off-set this loss. The

year-end unrealised gain or loss on monies invested in Kames would not be known until their fund valuation was received on 31 March 2018. Mrs Robb advised that all Members would be invited to a presentation by Kames Capital, on their investment strategy, which was scheduled for August 2018.

- 2.3 Members discussed and asked officers questions on the property portfolio shown in Appendix 3 to the report. In particular they discussed the attributes of Old Gala House and hoped that Live Borders would be able to raise the profile of the building as a visitor attraction. Attention was drawn to correspondence from the President of Galashiels Golf Club about winter maintenance of the access road and the provision of grit by the Council. The Estates Manager, Neil Hastie, explained that the wording of the lease placed responsibility for maintenance of the property with the tenant but that there was no specific reference to the private road. He suggested that officers should hold a meeting with Club representatives to discuss what could be done in future years.

DECISION

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

3. MOVEABLE ASSETS OWNED BY GALASHIELS COMMON GOOD

With reference to paragraph 2.3 of the Minute of 7 December 2018, regarding the moveable assets which were listed as being owned by Galashiels Common Good in the financial monitoring report, the Chief Legal Officer was in attendance to provide an update. She explained that officers were carrying out an investigation to confirm the location and ownership of the moveable assets listed. A document, circulated at the meeting, set out the findings of the investigation and Members discussed the recommendations about where the assets owned by the Common Good could be held or displayed in future. These included the Provost's Chain and Badge; 2 Provosts' Robes; 4 Baillies' Robes; Gold Watch (which belonged to Christopher Boyd); Gold Key & Medal; and original manuscript extract from "The Pirate" by Sir Walter Scott. With regard to the latter item Members suggested that Live Borders Museum/Archive Service be asked to formally take responsibility for this manuscript on behalf of Galashiels Common Good and that it continue to be displayed in its current location at Old Gala House. Discussion continued about the other items and whether they should be displayed in the Chamber at Paton Street, Old Gala House or another location. It was accepted that there would be a cost implication in respect of displaying the items securely. Before making a decision about where these items should be held Members expressed the wish to make further enquiries about their history and significance from the Old Gala Club, the Local History Society. It was noted that the remaining items listed were civic items and not owned by the Common Good, i.e. Minute Books; Burgh Seal; silver bowl; collection of 19th C coins and bottle; Braw Lads medals; and commemorative medals.

DECISION

- (a) **NOTED the moveable assets identified as being owned by Galashiels Common Good.**

- (b) **AGREED to request that the Chief Legal Officer make enquiries about the historical significance of the moveable assets owned by Galashiels Common Good before Members further consider where these should be displayed and that this be on the agenda for discussion at the next meeting.**

4. **APPLICATION FOR FINANCIAL ASSISTANCE**

- 4.1 There had been circulated copies of an application for financial assistance on behalf of Borders Community Radio and Media (T/A TD1 Radio). It was explained that TD1 Radio was an entirely voluntary community radio station broadcasting continuously to Galashiels and surrounding areas. The radio station provided local community information of various types, local travel information and a wide variety of programme material not available from any other station. The organisation also provided a volunteering and training opportunity for local people. It was further explained that the past year had proved very difficult for the station. Following the resignation of the volunteer station manager a small but dedicated group of volunteers had put in considerable efforts to maintain broadcasting. An ad hoc committee governed the station currently but it was planned to formalise this at an AGM and to apply to become a Scottish Charitable Incorporated Organisation. This and approved accounts for 2017/18 would enable TD1 Radio to apply for a wide range of funders. The application to Galashiels Common Good Fund was for £1600 to pay fees to OFCOM, Sky News and others which would allow the station to continue broadcasting after 31 March, at which time, despite fundraising activity, it was predicted that remaining funds would be almost nil.
- 4.2 Members were unanimous in their recognition of the value of TD1 Radio to the local community, in its provision of information, its wide variety of programme content and the volunteering and training opportunity the radio station provided for young people. They accepted from the information provided that the organisation was financially in crisis and they wanted if possible to offer assistance which would enable it to keep operating. However, before offering funding, they emphasised that assurance was needed in the form of a detailed governance structure and business plan to provide them with confidence of the organisation's sustainability in the long term. It was also noted that the sum requested was in excess of the Sub Committee's approved budget for grants and donations. After further discussion, it was agreed to grant the sum requested in principle and on a one-off basis subject to provision of the assurance requested. It was further agreed that on receipt of the information the final decision to authorise payment of the grant be delegated to the Chief Financial Officer.

DECISION

AGREED:-

- (a) **in principle to grant the sum of £1600 to Borders Community Radio and Media (T/A TD1 Radio), on a one-off basis and subject to the provision of assurance of the organisation's long term sustainability in the form of a business plan and future governance structure; and**
- (b) **that, on receipt of the information requested, the final decision to authorise payment be delegated to the Chief Financial Officer.**

The meeting concluded at 2.50 pm