

SCOTTISH BORDERS COUNCIL LAUDER COMMON GOOD FUND SUB-COMMITTEE

MINUTE of Meeting of the LAUDER
COMMON GOOD FUND SUB-COMMITTEE
held via Microsoft Teams on Tuesday, 8
March 2022 at 11.30 a.m.

Present:- Councillors D. Parker (Chairman), J. Linehan, T. Miers, Community
Councillor A. Smith
In Attendance:- Pension & Investments Manager, Principal Solicitor (H. MacLeod), Estates
Surveyor (J. Stewart), Estates Support Assistant (A. Beaumont),
Democratic Services Officer (W. Mohieddeen).

1. MINUTE

There had been circulated copies of the Minute of the Meeting held on 14 December 2021.

DECISION

AGREED to approve the Minute for signature by the Chairman.

2. MONITORING REPORT FOR 9 MONTHS TO 31 DECEMBER 2021 AND PROPOSED BUDGET FOR FINANCIAL YEAR 2022-23

2.1 Copies of the report by Director Finance and Corporate Governance had been circulated that detailed the income and expenditure for the Lauder Common Good Fund Sub-Committee for nine months to 31 December 2021 a full year projected out-turn for 2021-22, projected balance sheet values as at 31 March 2022 and proposed budget for 2022-23. Appendix 1 of the report provided the projected income and expenditure position for 2021-22 which showed a projected deficit of £1,766 for the year, which was less than the surplus figure reported at the 14 December 2021 meeting, due to the increase to the Repairs and Maintenance budget. Appendix 2 provided a projected balance sheet value as at 31 March 2022 which showed a projected decrease in reserves of £20,265. Appendix 3a provided a breakdown of the property portfolio which showed a projected rental income and projected net return for 2021-22 and actual property income to 31 December 2021. Appendix 3b provided a breakdown of the property portfolio which showed a projected property expenditure for 2021-22 and actual property expenditure to 31 December 2021. Appendix 4 provided a breakdown of the property portfolio which showed a projected property valuations at 31 March 2022. Appendix 5 showed the value of the Aegon Asset Management Investment Fund to 31 December 2021. The Pension and Investments Manager explained that unspent money would be carried forward into the next financial year.

2.2 The projected outturn position showed an amount of £200 relating to interest receivable on cash held by Scottish Borders Council. Also included were dividends from the Common Good Funds investment in Aegon Asset Management which amounted to £10,350. This was estimated at 4.5% return in the current year as a result of the market value having dropped due to the impact of the Covid-19 pandemic, with the proposed budget for 2022-23 having returned to the 5% target and the monthly distribution profile projections provided by Aegon. The position was to be monitored closely with Aegon Asset Management. Included within other income was a rebate from Aegon Asset Management of £125 which, along with the £63 received in March 2021, had been re-invested to purchase an additional 172 units.

- 2.3 The Pensions and Investment Manager advised that budgeting for the next year was difficult and to form a position, the average spend for the previous three years was used to determine the proposed budget for 2022-23. The proposed budget for the Lauder Common Good Fund for 2022-23 was £10,500 which, depending on future grant applications, could be altered by the Sub-Committee. Expenditure for the Woodland Grant was removed from the budget. Aegon had advised that they were not aware of events in Ukraine affecting investments and that they would continue to monitor the situation.

DECISION

AGREED to:

- (a) **the projected income and expenditure for 2021-22 as outlined in Appendix 1 of the report as the revised budget for 2021-22,**
- (b) **the proposed budget for 2022-23 as shown in Appendix 1 of the report,**
- (c) **Note the projected balance sheet value as at 31 March 2022 in Appendix 2 of the report**
- (d) **Note the summary of the property portfolio in Appendices 3 and 4; and,**
- (e) **Note the current position of the Aegon Asset Management Investment Fund in Appendix 5 of the report.**

3. GENERAL PROPERTY UPDATE

- 3.1 The Estates Surveyor introduced the Estates Support Assistant, Ms Beaumont, to the meeting and provided a Property Update for Members.

3.2 Scottish Kennel Club Working Trial

The Scottish Kennel Club Working Trial was given approval to go-ahead on 29 November – 4 December 2022.

3.3 Woodland

Woodland planting was nearly complete with delivery of 400 trees for the Queen's Jubilee imminent and the official opening was advised as 22 April 2022. Works and fencing that had been affected by recent storm activity had been reinstated. In line with woodland, adjusted rent for Lauderhill Sheep Company had been agreed. In response to a question from Mr Smith, the Estates Surveyor had advised that an update was required from Hamish Robertson regarding a path alongside the plantation next to Burgess Acres. Tweed Forum was to propose a 3-year plan for the Woodland and maintenance payments were to be received from Scottish Forestry.

3.4 Storm Damage

Intermediate works had been undertaken and there were invoices totalling £1,500 related to storm Damage to be paid from the Lauder Common Good Fund. The felling contractor for Dipper Wood advised it would be too dangerous to retain trees that were being used for a sheep shelter. Lauderhill Sheep Company requested work for replanting of trees that would help in controlling sheep. Due to the presence of badgers, felling could not take place at land opposite Greenwells Farm until July – November 2022. Traffic control would also be required due to the nature of the works in relation to the road. Income made from felling was unlikely to cover the felling costs so financial contributions might be required. The Felling contractor estimated that felling on Lauder grazing fields would cost £550 which was required to reinstate fencing. Detailed conversations were required with Lauderhill Sheep Company as it was clear they did not own trees. The Estates Surveyor advised that costings would be brought to the next meeting of the Lauder Common Good Fund Sub-Committee.

The Estates Surveyor was expecting proposals from the landowner adjacent to Common Good Land that would require improvements to the road.

3.5 Lauderhill Sheep Company

Mr Middlemiss had identified a mobile sheep pen system that would save ongoing costs of upgrading the current pen system. The system identified would cost £9,000 with costs split between Lauderhill Sheep Company and Lauder Common Good Fund. If approved, costs could be spread over four years. The Estates Surveyor recommended to agree to 50% of costs which was agreed by members.

3.6 Lauder Golf Club

The Estates Surveyor had obtained a quote of £995 for a kissing gate for Lauder Golf Club. The Estates Surveyor advised that obtaining quotes was difficult due to the work fencers currently had. The Estates Surveyor proposed that if £995 was the best quote they could obtain, they could proceed with the purchase. In response to a question about the path by the golf course, the Estates Survey advised that a survey of the area would need to be performed and that if works were estimated to cost more than £550, Members would be informed.

DECISION

AGREED to:

- (a) Fund the Lauderhill Sheep Company purchase of a mobile sheep pen system to the sum of £4,500 on the condition that it was 50% of purchase cost.**
- (b) Proceed with the purchase of a kissing gate for Lauder Golf Club at the sum of £995 if more favourable quotes were not obtained.**
- (c) Note the update.**

Meeting concluded at 11.55 am.