

SCOTTISH BORDERS COUNCIL GALASHIELS COMMON GOOD FUND SUB COMMITTEE

MINUTE of Meeting of the GALASHIELS
COMMON GOOD FUND SUB COMMITTEE
held in Transport Interchange, Galashiels on
Thursday, 18 February, 2016 at 5.30 pm

Present:- Councillors B White (Chairman), S. Aitchison and J. G. Mitchell

Apologies:- Councillor B Herd; Community Councillor R. Kenney.

In Attendance:- Estates Surveyor (J. Morison), Principal Solicitor (H. Macleod), Senior Finance Officer (J. Yallop), Democratic Services Officer (F. Walling).

1. **MINUTE.**

There had been circulated copies of the Minute of 5 November 2015.

DECISION

NOTED the Minute

2. **FINANCIAL MONITORING REPORT FOR 9 MONTHS TO 31 DECEMBER 2015**

2.1 There had been circulated copies of a report by the Chief Financial Officer providing details of the income and expenditure for the 9 months to 31 December 2015, full year projected out-turn for 2015/16 and projected balance sheet values to 31 March 2016. Senior Finance Officer, John Yallop, highlighted the main points of the report. There was a projected surplus of £100 for the year, in the projected Income and Expenditure position as detailed in Appendix 1 to the report. Appendix 2 showed a projected decrease in the revaluation reserves of £11,638 due to depreciation adjustment and also a movement between the Capital and Revenue reserves relating to the recent £5000 Newton Investment.. A further appendix provided a breakdown of the property portfolio showing actual Income and Expenditure to 31 December 2015. The report explained that all fixed assets of the Common Good Fund were revalued every 5 years as part of the Council's rolling programme. The timing of the approval of transfer of assets to the Galashiels Common Good Fund meant that these were not revalued as part of the rolling valuation programme for Common Good Funds. These would be revalued in 2015/16. Appendix 3 showed the values of the individual properties at 31 March 2015, projected depreciation charges 2015/16 and projected valued at 31 March 2016 prior to the revaluation.

2.2 Mr Yallop explained that the Income and Expenditure shown in Appendix 1 included the projected income of £3,100 from the Ladhope Trust which had not yet been received. He also drew attention to the fact that there remained £2,000 in the grants budget which was unallocated. After discussion on the grants budget Members decided that the unallocated amount should be carried forward to the next financial year and consideration given to promoting the availability of small grants from the Common Good through Galashiels Community Council and through the Council's Grants Co-ordinator. Members discussed the value of the Newton Fund to 30 September 2015 which was shown in Appendix 4 to the report. There was a small but positive return in the Newton Fund of 1.3% for the quarter despite market volatility. Mr Yallop drew attention to the chart showing

the Newton Fund's quarterly return performance against the benchmark and against an equity performance index (MSCI AC World Index).

- 2.3 With regard to Old Gala House and with reference to paragraph 2 of the Minute of 5 November 2015, Principal Solicitor Mrs Macleod confirmed that, although the Common Good was the landlord, in respect of the caretaker's flat, the new Trust would operate as sub-landlord once the lease from the Common Good to the new Trust was in place. There were no burdens for Old Gala House which would restrict its use under the new Trust. Discussion continued about the Ladhope Estate and the Ladhope Trust. There was ambiguity about the source of the income received annually by the Common Good from the Trust and about the level of investment from which this was derived. It was agreed that the Ladhope Trust should be dealt with separately from the Ladhope Estate and Mr Yallop was asked to investigate how the income from the Trust was being generated.

DECISION

- (a) AGREED the projected Income and Expenditure for 2015/16 in Appendix 1 to the report.**
- (b) NOTED the:-**
 - (i) projected Balance Sheet value to 31 March 2016 in Appendix 2;**
 - (ii) summary of the property portfolio in Appendix 3; and**
 - (iii) current position of the investment in the Newton Fund in Appendix 4.**
- (c) AGREED that :-**
 - (i) the unallocated balance in the grants budget be carried forward to 2016/17 and the availability of small grants be promoted; and**
 - (ii) further investigation be carried out into the source from which the income from the Ladhope Trust was being generated.**

The meeting concluded at 6.05 pm