

**The Highland Council**  
**Skye, Ross & Cromarty Area Committee**

**30 April 2014**

Agenda Item	<b>11c</b>
Report No	<b>SRC 19c/14</b>

**Fortrose and Rosemarkie Common Good  
Budget Setting 2014/15**

**Joint Report by the Director of Finance and the Acting Head of Community &  
Democratic Engagement**

**Summary**

This report provides Members with a monitoring statement for the Fortrose and Rosemarkie Common Good Fund (F&RCGF) to the end of March 2014. The report also sets out the anticipated income and expenditure for the coming year and invites Members, for the first time, to set a revenue budget for the Fortrose and Rosemarkie Common Good Fund (DCGF) for the financial year 2014/15.

**1. Monitoring Statement to end of March 2014**

- 1.1 Appendix One reports the near final outturn for 2013/14 on the F&RCGF based on the quarter 4 monitoring statement. Members should note that this includes only transactions in the ledger at the time of writing and will exclude any accruals which will not be recorded until the end of the month.
- 1.2 Expenditure has been minimised to enable future reinvestment in the Common Good assets.
- 1.3 Based on the monitoring statements as shown there will be a surplus for the year of £11,456 in 2013/14. This will result in a revenue reserve balance of £88,370. Once audited the final Income and Expenditure Account and Balance sheet will be brought to Members in a future report.

**2. Anticipated Revenue for 2014/15**

- 2.1 Rental Income – Rent is due for Town Hall, Fortrose, King George V Playing Field, Fortrose Caravan Site, Rosemarkie Caravan Site and Car Park at the Golf Club. The total rent due for 2014/15 is £11,401.
- 2.4 Interest and Revenue Balances – Assuming that the current low interest rates continue, it is anticipated that interest receivable on projected surplus balances will be approximately £750 in 2014/15.

### **3. Anticipated Expenditure**

The main revenue budget headings can be summarised as follows:

#### **3.1.1 Property Costs**

Property costs have tended to be low as properties are leased to The Highland Council and rented to Highlife Highland and individuals or groups.

- 3.1.3 It is however suggested that a revenue property budget of £1,500 be set for 2014/15 for technical studies / essential repairs. Capital projects for development or protection of assets would require separate consideration and an appropriate funding package which would be brought to Committee for consideration.

#### **3.2 Administration and Insurance costs**

These are minimal and a roll forward budget of £500 is proposed to cover additional support costs in relation to quarterly monitoring information being provided by Finance.

#### **3.3 Grants to the Community**

In order to protect reserves and the likely future requirement for protection or development of Common Good assets it is proposed that spend should only be considered for Common Good assets up to a budget of £9,000. It is recommended that no grants should be given for other purposes.

### **4. Review of the Assets of the Fortrose and Rosemarkie Common Good**

- 4.1 Members will recall that an update report, entitled Policy, Management and Reporting, was presented by the Corporate Manager to Council on 19 December 2013. The report referred to a plan of actions required to improve and standardise the management of Common Good Funds and made specific reference to Common Good Fund Asset Registers and work to ensure that the Asset Registers are up to date and accurate. The asset register for F&RCGF was reviewed and updated in 2013/14.

### **5. Implications**

- 5.1 Equalities Policy. Any future major project for protection or refurbishment would seek to improve equality of access.

- 5.2 Climate Change – Any future project for protection or refurbishment would seek to increase energy efficiency where possible. There are no other climate change implications in the report.

- 5.3 Legal and Financial Implications – the application of funds will fall within the competency guidelines set out both in statute and in common law in relation to Common Good Funds. Additionally, through the governance being applied by the Finance Service, funds will remain compliant with all financial regulations.

- 5.4 Expenditure – It is proposed that revenue expenditure budgets of £11,000 be set. Based on this assumption income would exceed expenditure by £1,151.

This will therefore result in a surplus which would increase the balance on revenue reserves to £89,521 at the end of 2014/15.

**Recommendation**

The Committee is invited to:

- i. agree the Fortrose and Rosemarkie Common Good Fund budget for 2014/15 detailed within the report
- ii. agree that update reports are brought back to the Skye, Ross & Cromarty Area Committee.

Designation: David Haas, Acting Head of Community and Democratic Engagement

Date: 16 April 2014

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Background Papers: Fortrose and Rosemarkie Common Good Quarter 4 Monitoring Statement

The Highland Council 23 October 2013 – Highland Common Good Funds – Policy, Management and Reporting

Resources Committee 10 June 2009; Common Good fund – Policy and Information

## Appendix I

### Fortrose and Rosemarkie Common Good Fund – Anticipated outturn for 2013/14 based on Quarter 4 monitoring information and proposed 2014/15 Budget

#### Revenue Budget 14/15

	<b>Proposed Budget 14/15 £</b>	<b>Anticipated Outturn 2013/14 £</b>
Income		
Rents	11,401	11,401
Interest and investment income	750	722
Total income	12,151	12,123
Expenditure		
Property costs	200	163
Administration charges	500	504
Total expenditure	700	667
<b>Surplus/(deficit) for the year</b>	<b>11,451</b>	<b>11,456</b>
Revenue Reserve Balance 1/4/13		76,914