

The Highland Council

Nairn and Badenoch and Strathspey Area Committee 11 June 2014

Agenda Item	11.
Report No	NBS/15/14

Nairn Common Good Fund - Update Report

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

Summary

At the previous Nairn and Badenoch and Strathspey Area Committee, Members were asked to note the ongoing review of the Nairn Common Good Fund (NCGF). This report seeks to update on the review process and on progress made to date.

1. Background

- 1.1 Reference was made in the previous committee report to the report entitled Policy, Management and Reporting that was presented by the Corporate Manager to Council on 19 December 2013.
- 1.2 This 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. The report also made reference to the ongoing role of Ward Managers in working to ensure that the Asset Registers are up to date and accurate.
- 1.3 In terms of the Nairn Common Good Fund, a full and comprehensive programme of review of the NCGF assets and how they are managed is now being undertaken. This review will also ensure that effective processes and procedures for management and governance of the NCGF are in place and that these are reported through the appropriate mechanisms.

2. Governance

- 2.1 Management systems are being reviewed and revised with the following measures being implemented with immediate effect to ensure improved governance measures are put in place.
 - Quarterly reports to Area Committee
 - Standing item on Ward 19 Business Meeting agendas.
 - Regular liaison meetings with the Finance Service
 - Monthly budget monitoring
 - Complete review of all Common Good files
 - Ongoing review of the NCGF Asset Register
 - Annual review of leases and rentals

2.2 Steady progress is being made on updating the NCGF Asset Register. The Register has been transferred to Excel for better document management. An invoice list has also been created to improve administration of the invoicing process. This matches directly to the Asset Register.

3. Anticipated Revenue 2014/15

3.1 Former Links Shelter. A lease has been concluded for the Former Links Shelter. Regular updates on the progress of this transaction have been brought to the Nairn Ward Members at Ward Business Meetings. The rental concluded will be reflected in the monitoring report to be brought before Area Committee in September.

3.2 Sandown Fields. A management agreement is being put in place with the Scottish Agricultural College to facilitate a Short Limited Duration Tenancy (SLDT) for the Sandown Fields. The rental concluded will also be reflected in the monitoring report to be brought before Area Committee in September.

3.3 Putting Green Kiosk. The vacant kiosk at the Links Putting Green was recently marketed and an expression of interest has been received. This is currently being considered and, if successfully concluded, will be reported to Area Committee in September.

4. Operational Management

4.1 First stage review has been carried out and initial actions agreed in conjunction with the Nairn Ward Members with operational management being prioritised.

4.2 An issue with the lease review process for the caravan site at Lochloy has been identified. The original lease agreement was for 60 years w.e.f. 01/11/1985. In 1992, in accordance with the rent review provisions in the lease, the rent was reviewed in line with RPI. (The lease was extended on 01 November 1994 for a further period of 99 years.) The rent should have been reviewed 7 yearly thereafter (RPI) on 31 October 1999 and 31 October 2006.

4.3 In accordance with the terms and conditions of the lease, the RPI rental increase can be applied from 31st October 2013. The increased rental will be reflected in the monitoring report to be brought before Area Committee in September.

5. Next Steps

5.1 An outturn monitoring report will come to the Nairn and Badenoch and Strathspey September Area Committee that will reflect rentals concluded.

5.2 A report on an Investment Strategy for the NCGF will be brought to a future meeting.

5.3 Update reports on the ongoing review of the NCGF Asset Register, governance and management will continue to be brought forward to Area Committee for Members consideration.

6. Implications

6.1 Resource; Legal; Equalities; Climate Change/Carbon Clever; Risk and Gaelic Implications.

6.2 All legal responsibilities for the management of the NCGF are being applied by the Council. In considering the strategy for the NCGF, full account will be taken of the need to adhere to the Council's Policies detailed above.

6.3 There are no other implications to be highlighted in the report.

Recommendation

The Committee is invited to:

- i. note progress with the ongoing review of the Nairn Common Good Fund
- ii. note the conclusion of the lease for the Former Links Shelter
- iii. agree that the rental increase for the Lochloy Caravan Park be implemented from October 2013
- iv. note the next steps and agree that further update reports are brought back to the Nairn and Badenoch and Strathspey Area Committee.

Designation: Director of Finance and Acting Head of Community and Democratic Engagement

Date: 29 May 2014

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