

The Highland Council

Nairn and Badenoch and Strathspey Area Committee -  
25 September 2014

Agenda Item	18.
Report No	NBS/32/14

Nairn Common Good Fund - Update Report

Joint Report by the Director of Finance and the Inverness City Manager

**Summary**

This report asks Members to note the position of the Nairn Common Good Fund (NCGF) as shown in the Quarter 1 Monitoring Statement and updates on the ongoing review of the NCGF which is on target for completion by the end of this financial year.

**1. Introduction**

- 1.1 This report sets out the financial activity on the NCGF as of 30 June 2014. **Appendix 1** shows expenditure to date, the annual agreed budget, the predicted year end outturn and the predicted variance.
- 1.2 Previous reports to Committee have referred to the plan of actions required to improve and standardise the management of the NCGF. This report updates on that plan of actions.

**2. Revenue Monitoring Report**

- 2.1 A monitoring statement showing transactions against budget to the end of June 2014 is attached as **appendix 1**.
- 2.2 Expenditure:  
Expenditure in quarter 1 shown against electricity costs is attributable to estimated billing for the Former Links Shelter and is being assessed. The Nairn River Fishing costs are shown against Rent, Rates and Insurance.
- 2.3 Income:  
The income received so far relates to property and rentals. At this stage in the financial year the budget is projected to show a surplus which is due to the rentals concluded for the former Links Shelter, the Sandown Fields and for the increased rental for the caravan site at Lochloy.

**3. Ongoing Review and Governance**

- 3.1 As previously reported, the Council has a duty of care to manage the resources of the NCGF to the same standard as it manages its own funds and activities.
- 3.2 In conjunction with the above and as previously reported, a full review of the management arrangements applied to the NCGF has been undertaken.

- Quarterly reports are now coming to Area Committee
- NCGF is a standing item on Area Committee and Ward 19 Business Meeting agendas
- Monthly budget monitoring is in place
- Review of the NCGF Asset Register is ongoing including the monitoring of asset returns
- Opportunities to maximise income for the NCGF are constantly being monitored

#### **4. Ongoing and Future Actions**

- 4.1 Work continues on preparing a detailed and accurate Asset Register and this will be presented to Area Committee for its consideration.
- 4.2 An Investment Strategy for the NCGF will be brought forward and a range of options will be identified for formal consideration in readiness for the next meeting of the Nairn and Badenoch and Strathspey Committee in December.

#### **5. Implications**

- 5.1 There are no known implications for Equalities; Resource; Legal; Climate Change/Carbon Clever; Risk, Gaelic or Rural arising from this report.
- 5.2 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.
- 5.3 There are no other implications to be highlighted in the report.

#### **Recommendation**

The Committee is invited to:

- Note the position of the Nairn Common Good Fund as shown in the Quarter 1 Revenue Monitoring Statement against Budget
- Note the ongoing progress in the implementation of the management plan for the NCGF with a completion date of 1<sup>st</sup> April 2015 and
- Note the progress being made on the provision of an Investment Strategy for the Nairn Common Good Fund.

Designation: Director of Finance and Inverness City Manager

Date: 12 September 2014

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**BUDGET 14-15****Nairn Common Good Fund**

	Actual to Date <b>2014/15</b> £000	Annual Budget <b>2014/15</b> £000	Expected Outturn <b>2014/15</b> £000	Variance <b>2014/15</b> £000
<u>Income</u>				
Rents	24	51	86	35
Miscellaneous income	16	5	5	-
Interest and investment income	0	7	7	-
Total income	<u>40</u>	<u>63</u>	<u>98</u>	<u>35</u>
<u>Expenditure</u>				
Property maintenance	0	46	46	-
Electricity	2	1	1	-
Water charges	0	1	1	-
Rent, rates and insurance	9	9	9	-
Central Support Charges	0	1	1	-
Total expenditure	<u>11</u>	<u>58</u>	<u>58</u>	<u>-</u>
<b>Surplus/(deficit) for the year</b>	<b>29</b>	<b>5</b>	<b>40</b>	<b>35</b>