

Agenda item	14c
Report no	RC/031/18

THE HIGHLAND COUNCIL

Committee: Ross and Cromarty

Date: 15 August 2018

Report Title: **Fortrose and Rosemarkie Common Good – Quarter One Monitoring Report**

Joint Report By: Carron McDiarmid, Head of Policy and Reform
Derek Yule, Depute Chief Executive and
Director of Corporate Resources

1. Purpose/Executive Summary

- 1.1 This report invites Members to consider the position of the Fortrose and Rosemarkie Common Good Fund as shown in the Quarter One Monitoring Statement.

2. Recommendations

2.1 Members are asked to:

- i. consider and scrutinise the position of the Fortrose and Rosemarkie Common Good Fund, as shown in the Quarter One monitoring statement against budget.
- ii. consider and approve a proposed underspend of £4,000 on the Special Grants budget in the current year to partly mitigate the impact on reserves.

3. Monitoring Statement to 30 June 2018.

- 3.1 A monitoring statement showing transactions to the end of June 2018 against budget is attached as Appendix One.

4. Expenditure

- 4.1 There has been minimal expenditure to date with only £152 being paid out of the fund in relation to property insurance. £111 of this is overcharging and will be returned to the fund.
- 4.2 Members will be aware that we are looking to pursue the works on coastal protection as this is an essential project to protect a major asset of the fund. This involves using a significant proportion of the fund reserves. In order to build reserves for future possible capital projects to protect or improve Common Good assets it is proposed that all other expenditure is kept to a minimum and that a restriction is placed on the budgeted sum of £4,000 for Special Grants. This budget was underspent in previous years. It is recommended that there should be a planned underspend of £4,000 in the current year to partly mitigate the impact on reserves.
- 4.3 Any future projects relating to Common Good assets will be brought to Committee for consideration.

5. Income

- 5.1 The income for 2018/19 is due from expected interest of £750 and rental income of £13,022 for Fortrose Town Hall, King George V Playing Field, Fortrose Bay Caravan Site, Rosemarkie Caravan Site and the Golf Club car park. Rental income received to date is £2,312.

6 Implications

- 6.1 **Usable Reserves** stood at £192,155 as at 31 March 2017 rising to £198,156 as at 31 March 2018 (this figure is unaudited).
- 6.2 **Resource** – The coastal protection works required to be carried out at Rosemarkie Caravan Site will have a major impact on the reserves of the fund. At present the year end position is anticipated to be a deficit of £131,228. This deficit would be reduced to a £127,228 if Members approve the reduced Special Grants budget as outlined in paragraph 4.2. This anticipated deficit will result in useable reserves of £70,928 or £74,928 if Members agree to a planned underspend in Special Grants budget.
- 6.3 For monitoring purposes a budget line has been added to Appendix One for the coastal protection works.

- 6.4 **Legal** - none
- 6.5 **Community (Equality, Poverty and Rural)** – None. Any future major project for the protection or refurbishment would seek to improve equality of access.
- 6.6 **Climate Change/Carbon Clever** – None. Any future project for protection or refurbishment would seek to protect the environment and increase energy efficiency where possible.
- 6.7 **Risk** – None
- 6.8 **Gaelic** - None

Designations: Carron McDiarmid, Head of Policy and Reform and Derek Yule, Depute Chief Executive and Director of Corporate Services

Date: 2 August 2018

Authors: Diane Agnew, Ward Manager
Steven Wright, Trainee Accountant

Appendix One

Fortrose and Rosemarkie Common Good - Quarterly Monitoring Period to 28 June 2018

	Actual to date £	Budget £	Year End Estimate	Variance £
INCOME				
Rents	2,312	13,022	13,022	0
Interest and investment income	0	750	750	0
TOTAL INCOME	<u>2,312</u>	<u>13,772</u>	<u>13,772</u>	<u>0</u>
EXPENDITURE				
Staff Costs - CGF Officer	0	1,000	1,000	0
Grants and Donations	0	1,000	1,000	0
Special Grants	0	4,000	0	(4,000)
Property costs	152	1,500	1,500	0
Central support	0	500	500	0
Rosemarkie Coastal Protection Works	0	137,000	137,000	0
TOTAL EXPENDITURE	<u>152</u>	<u>145,000</u>	<u>141,000</u>	<u>(4,000)</u>
Income less Expenditure	<u><u>2,160</u></u>	<u><u>(131,228)</u></u>	<u><u>(127,228)</u></u>	<u><u>4,000</u></u>