

The Highland Council

Agenda Item	8d
Report No	BIER/10/25

Committee: Black Isle and Easter Ross Area Committee

Date: 27 January 2025

Report Title: Tain Common Good Fund – 2023/24 Annual Accounts and Final Monitoring, 2024/25 Quarter Three Monitoring Report and 2025/26 Proposed Budget

Report By: Chief Officer Community and Housing
Chief Officer Corporate Finance

1. Purpose/Executive Summary

- 1.1 This report presents the Tain Common Good Fund Statement of Accounts and final monitoring for 2023/24.
- 1.2 This report also presents the income and expenditure monitoring position for the Common Good Fund as at 31 December 2024 (Q3) and the projected year end position for 2024/25.
- 1.3 The report further sets out the proposed revenue budget for the Fund for the financial year 2025/26.

2. Recommendations

- 2.1 Members are asked to:
 - i. Consider and agree the Tain Common Good Fund Statement of Accounts (**Appendix 1**) and Quarter 4 monitoring report for 2023/24 (**Appendix 2**);
 - ii. Scrutinise and note the position of the Tain Common Good Fund as shown in the 2024/25 Quarter Three monitoring statement at **Appendix 3**; and
 - iii. Approve the proposed budget for 2025/26 as set out in **Appendix 4**.

3. Implications

- 3.1 **Resource** – The 2023/24 statement of accounts and final monitoring report note a surplus of £19,002 which has been added to the usable reserves. The Quarter Three monitoring statement for 2024/25 highlights predicted income and expenditure against the budget. Income and costs are expected to be on budget, but no spend is

anticipated in the current year in relation to the mussel fishery. A small surplus on the Fund is therefore expected which will increase the usable reserves.

3.2 **Legal** - 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. The application of funds will comply with all financial regulations.

3.3 **Community (Equality, Poverty, Rural and Island)** – Due to limited resources the fund is unable to support any community grants budget. There are no other equality, poverty or rural or island implications as a result of the report.

3.4 **Climate Change / Carbon Clever** – None

3.5 **Risk:** None.

3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – None.

3.7 **Gaelic** - None.

4. **Impacts**

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children’s Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 **Integrated Impact Assessment - Summary**

4.3.1 An Integrated Impact Assessment screening has been undertaken on the proposed budget and the conclusions have been subject to the relevant Manager Review and Approval.

4.3.2 The Screening process has concluded that there are no impacts identified in relation to the proposed budget.

4.3.3

Impact Assessment Area	Conclusion of Screening/Full Assessment
Equality	<i>No impact</i>
Poverty, Socio-economic	<i>No impact</i>
Human rights	<i>No impact</i>
Children’s rights & well-being	<i>No impact</i>
Island and mainland rural	<i>No impact</i>
Climate change	<i>No impact</i>
Data rights	<i>No impact</i>

5. 2023/24 Statement of Accounts and Final Monitoring

5.1 **Appendix 1** of this report shows the Income and Expenditure Account and Balance Sheet in respect of the Tain Common Good Fund for the financial year 23/24. **Appendix 2** sets out the 2023/24 final monitoring, which shows the Revenue results for the year against Budget (whereas **Appendix 1** shows prior year comparatives).

5.2 Income

- Rental income for the year was less than budgeted as the smaller grazing was not let in 2023/24. The rents for the larger grazing and market stalls are up to date.
- The income for interest is higher than the budget reflecting the higher interest rates which applied during the period.

5.3 Expenditure

- Expenditure in 23/24 was limited and included insurance costs, contribution to the costs of the Common Good Officer, central support costs and minor repairs to Alexandra Bridge.
- There was no expenditure in 23/24 associated with the Mussel Fishery.

5.4 Changes to Leases in 2023/24

The large grazings were re let to the former tenant on a 364-day lease

5.5 Disposal and Acquisitions 2023/24

There were no disposals or acquisitions in 2023/24

6. 2024/25 Quarter Three Monitoring Report

6.1 The Quarter Three monitoring report to 31 December 2024 is attached as **Appendix 3**.

6.2 Income

Rental payments are on budget as the market stalls are paid by monthly direct debit. Income from interest is expected to be in excess of budget due to increased interest rates.

6.3 Expenditure

Expenditure is currently lower than anticipated. There have been limited property costs incurred relating to repairs of damage to the boat house on Tain Links and utilities charges. Staff costs (including a contribution to Common Good Officer costs) and other property and admin charges have yet to be applied. No spend on the mussel fishery is anticipated, but given the relatively low levels of property costs no amendments are suggested for these budgets.

6.4 A surplus of £11,950 is anticipated on the fund at year end.

7. Proposed Budget for 2025/26

7.1 The proposed budget for 2025/26 is set out in **Appendix 4** of the report for Committee to consider.

7.2 Anticipated Income – it is proposed to retain the income budget for rents at £7,950 for 2025/26 as the smaller grazing has not been let in recent years, although efforts will be made to market it.

7.3 Anticipated Expenditure – It is proposed that a modest property budget of £5,000 be retained to cover any minor insurance and property costs incurred. with an additional budget of £1,000 for Central Support, £2,000 for staff costs and £2,000 for any costs associated with the mussel fishery. This will result in a surplus of £9,950 at year end, which will be added to reserves.

8 Common Good Update

8.1 There are no other Common Good issues to report.

Designation: Chief Officer Community and Housing
Chief Officer Corporate Finance

Date: 14 January 2025

Authors: Phil Tomalin, Community Development Manager
Jennifer Johnston, Accountant (Group Orgs)

Background Papers: None

Appendices:

1. Tain Common Good Fund – Statement of Account 2023/24
2. Tain Common Good Fund – Final Monitoring 2023/24
3. Tain Common Good Fund – Quarterly Monitoring Period to Dec 24 (24/25 Q3)
4. Tain Common Good Fund – Proposed Budget 2025/26

Appendix 1

STATEMENT OF ACCOUNTS 2023-24

Tain Common Good Fund

Income and Expenditure Account

	2023/24	2022/23
	£	£
<u>Expenditure</u>		
Property costs	449	115
Other Costs	80	21,364
Administration charges	480	489
Staff Costs	965	1,448
Depreciation and Amortisation	960	960
Total expenditure	<u>2,934</u>	<u>24,377</u>
<u>Income</u>		
Rents	6,400	9,430
Other income	220	5,058
Interest and investment income	15,316	5,570
Total income	<u>21,936</u>	<u>20,058</u>
Surplus/(deficit) for the year	19,002	(4,319)
Revaluation gains/(losses)	<u>-</u>	<u>4,200</u>
Total comprehensive income and expenditure	<u>19,002</u>	<u>(119)</u>

Balance Sheet

	31/03/2024	31/03/2023
	£	£
<u>Non-current assets</u>		
Investment properties	361,800	361,800
Heritage assets	385,779	385,779
Intangible asset	6,360	7,320
	<u>753,939</u>	<u>754,899</u>
<u>Current assets</u>		
Loans fund deposits	<u>359,249</u>	<u>339,287</u>
Total assets	<u>1,113,188</u>	<u>1,094,186</u>
Revenue funds	239,719	219,757
Capital funds	779,035	779,995
Revaluation reserve	94,434	94,434
Total reserves	<u>1,113,188</u>	<u>1,094,186</u>

Appendix 2

Tain Common Good - Quarterly Monitoring Period to March 24

	Actual	Budget	Variance
	£	£	£
INCOME			
Rents & Lettings	6,620	8,600	(1,980)
Interest and investment income	15,316	1,600	13,716
TOTAL INCOME	21,936	10,200	11,736
EXPENDITURE			
Staff Costs	965	2,000	(1,035)
Property costs	529	5,000	(4,471)
Central Support Charges	480	1,000	(520)
Tain Mussel Fishery	-	2,000	(2,000)
TOTAL EXPENDITURE	1,974	10,000	(8,026)
Income less Expenditure	<u>19,962</u>	<u>200</u>	<u>19,762</u>
Audited Reserves			
As at 31.3.23	219,757		
Surplus/(deficit) for year	19,962		
As at 31.3.24	<u>239,719</u>		

Appendix 3
Tain Common Good - Quarterly Monitoring
Period to Dec 24

	Actual to date	Budget	Estimated Outturn	Variance
	£	£	£	£
INCOME				
Rents & Lettings	7,464	7,950	7,950	0
Interest and investment income	0	5,600	12,000	6,400
Other Income	0	0	0	0
TOTAL INCOME	<u>7,464</u>	<u>13,550</u>	<u>19,950</u>	<u>6,400</u>
EXPENDITURE				
Staff costs	0	2,000	2,000	0
Property costs	492	5,000	5,000	0
Central Support Charges	0	1,000	1,000	0
Tain Mussel Fishery	0	2,000	0	(2,000)
TOTAL EXPENDITURE	<u>492</u>	<u>10,000</u>	<u>8,000</u>	<u>(2,000)</u>
Income less Expenditure	<u><u>6,972</u></u>	<u><u>3,550</u></u>	<u><u>11,950</u></u>	<u><u>8,400</u></u>
Audited Reserves 2023/24 (Appendix 1a)			239,719	
Estimated outturn for 24/25			<u>11,950</u>	
Estimated Usable Reserves 2024/25			<u><u>251,669</u></u>	

Appendix 4

TAIN COMMON GOOD FUND DRAFT BUDGET 2025/26

	2025/26
	£
<u>Income</u>	
Rents & Lettings	7,950
Interest and investment income	12,000
Total income	<u>19,950</u>
<u>Expenditure</u>	
Staff Costs	2,000
Property Costs	5,000
Central Support Charge	1,000
Mussel Fishery	2,000
Total Expenditure	<u>10,000</u>
Surplus/(deficit) for the year	<u><u>9,950</u></u>
Estimated Revenue Reserves 2024/25	251,669
Budget surplus/(deficit) for 25/26	9,950
Forecast year end reserves 2025/26	<u><u>261,619</u></u>