

The Highland Council

Ross and Cromarty Committee – 3 February 2016

Agenda Item	11c
Report No	RC/010/16

Fortrose and Rosemarkie Common Good – Quarter 3 Monitoring and Budget Setting 2016/17

Joint Report by the Head of Policy and Reform and the Director of Finance

Summary

This report invites Members to scrutinise and note the Fortrose and Rosemarkie Common Good Fund (FRCGF) Quarter 3 monitoring report for 2015/16, and invites Members to approve a budget for the financial year 2016/17.

1. Quarter 3 Monitoring Report

1.1 A monitoring statement showing spend against budget to the end of December 2015 is attached at **Appendix I**. An improved final outturn of £8,756 is anticipated.

2. Income

2.1 Income comprises rental from the Fortrose Town Hall and King George V Park, along with rental increases backdated to 1 April 2014.

2.2 In addition £500 is due from the Highland Council in relation to a road realignment at the Greengates junction.

3. Expenditure

3.1 Spend to date relates to property insurance. A Project brief/specification for coastal protection at Rosemarkie Caravan Park has been commissioned from the Highland Council's Community Services. However it is anticipated that fees relating to this work will not be charged until 2016/17. The budget set aside for this brief will be carried forward to financial year 2016/17 and the budget outturn amended to reflect this. Other spend relating to essential repairs (fencing and redecoration) and improvements to Common Good assets will be incurred before the end of the current financial year and will be reflected in the Q4 monitoring statement.

4. Proposed Budget for 2016/17

4.1 A proposed budget is attached at **Appendix II** for 2016/17 for the Committee to consider.

5. **Anticipated Revenue for 2016/17**

- 5.1 **Rental Income** – Rent of £12,265 is due for Fortrose Town Hall, King George V Playing Field, Fortrose Caravan Site, Rosemarkie Caravan Site and the Car Park at the Golf Club.
- 5.2 **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 £721 in 2016/17.

6. **Anticipated Expenditure**

- 6.1 The main revenue budget headings can be summarised as follows:
- 6.2 **Property Costs** - Property costs have tended to be low as properties are leased to the Highland Council and rented to Highlife Highland, individuals or groups.
- 6.3 It is however suggested that a revenue property budget of £1,500 be set for 2016/17 for essential repairs. Capital projects for development or protection of assets would require separate consideration and an appropriate funding package which would be brought to future Committee.
- 6.4 **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.
- 6.5 **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 a budget of £1,000 be made available for small grants to community groups and £5,000 budgeted for projects relating to safeguarding or improving Common Good assets.

7. **Implications**

- 7.1 **Equalities Policy** - Any future major project for protection or refurbishment would seek to improve equality of access.
- 7.2 **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.
- 7.3 **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 implied by the Finance Service, funds will remain compliant with all financial regulations. The proposed budget will result in a surplus of £4,986.

7.4 There are no Carbon Clever, Rural Risk or Gaelic implications in the report.

Recommendation

The Committee is invited to scrutinise and note the Quarter 3 Monitoring Statement as attached in **Appendix I** and approve the Fortrose and Rosemarkie Common Good Fund budget for 2016/17 shown in **Appendix II**.

Designation: Carron McDiarmid, Head of Policy and Reform
Derek Yule, Director of Finance

Date: 25 January 2016

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**Fortrose and Rosemarkie Common Good
- Quarterly Monitoring (Q3)**

Period to 31 December 2015

	Actual to date £	Budget £	Expected Outturn £	Variance £
Income				
Rents	11,190	11,995	13,035	1,040
Interest and investment income	0	721	721	0
Total Income	11,190	12,716	13,756	1,040
Expenditure				
Grants and Donations	0	8,000	3,000	(5,000)
Property costs	449	1,500	1,500	0
Central support	0	500	500	0
Total Expenditure	449	10,000	5,000	(5,000)
 Income less Expenditure	 <u>10,741</u>	 <u>2,716</u>	 <u>8,756</u>	 <u>6,040</u>

Appendix II

Fortrose and Rosemarkie Common Good Fund Proposed Budget 2016/17

£

Income

Rents	12,265
Interest and investment income	<u>721</u>
Total income	<u>12,986</u>

Expenditure

Property costs	1,500
Grants and Donations	6,000
Administration charges	<u>500</u>
Total expenditure	<u>8,000</u>

Surplus/(deficit) for year

4,986