

Agenda Item	12
Report No	CC/11/26

# The Highland Council

**Committee:** Caithness

**Date:** 19 January 2026

**Report Title:** Thurso Common Good Fund – 2024/25 Annual Accounts, 2025/26 Quarter Three Monitoring Report and 2026/27 Budget

**Report By:** Assistant Chief Executive - Place

## 1 Purpose/Executive Summary

- 1.1 This report presents the Thurso Common Good Fund Statement of Accounts for 2024/25.
- 1.2 This report also presents the income and expenditure monitoring position for Thurso Common Good Fund at 31 December 2025 (Q3) and the projected year end position for 2025/26.
- 1.3 The report seeks approval for the budget for Thurso Common Good Fund for Financial Year 2026/27.

## 2 Recommendations

- 2.1 Members are asked to:-
  - i. Consider and agree the Thurso Common Good Fund Statement of Accounts for 2024/25 (**Appendix 1**);
  - ii. Consider and note the position of the Thurso Common Good Fund, as shown in the Q3 monitoring statement (**Appendix 2**) against budget for 2025/26; and
  - iii. Agree Thurso Common Good Fund Annual Budget for 2026/27 (**Appendix 3**).

## 3 Implications

- 3.1 **Resources** - the statement of accounts shows that Thurso Common Good Fund had no expenditure and rental income of £9,180 in 2024/25. Income in 2025/26 is significantly higher at £56,109 but largely comprised backdated rent for Thurso Caravan Park. In the longer-term Thurso Common Good Fund needs to develop revenue sources to cover operational costs and to build reserves to cover its responsibilities.
- 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 **Risk** - Thurso Common Good assets are currently managed either by tenants or by Highland Council and High Life Highland. While this manages risk in the short term, in the longer term Thurso Common Good Fund needs to develop revenue sources to cover operational costs and to build reserves to cover liabilities.

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

3.5 **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	<b>Impact Assessment Area</b>	<b>Conclusion of Screening/Full Assessment</b>
	Equality	<i>No impact</i>
	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 **2024/25 Statement of Accounts**

5.1 **Appendix 1** of this report shows the Income and Expenditure Account and Balance Sheet in respect of the Thurso Common Good Fund for Financial Year 2024/25.

### 5.2 **Income and Expenditure**

- The main income received in 2024/25 was £9,180 rent for Thurso Caravan Park.
- Interest was received totalling £89

### 5.3 **Expenditure**

There was no expenditure in 2024/25.

#### 5.4 **Balances**

Members are requested to note that the Fund shows a surplus for 2024/25 of £9,269. Consequently, on 31 March 2025 the total reserves of Thurso Common Good were £409,269, comprising capital funds and revenue funds of £9,269.

#### 5.5 **Revaluation gains/(losses)**

There were no revaluation gains or losses in 2024/25

#### 5.6 **Changes to Leases in 2024/25**

There were no changes to leases in 2024/25.

#### 5.7 **Disposal and Acquisitions 2024/25**

There were no disposals or acquisitions in 2024/25.

### 6 **2025/26 Third Quarter Monitoring Report**

6.1 **Appendix 2** of this report shows the position of the Thurso Common Good Fund at the end of the Third Quarter of the current Financial Year (25/26), reported against the 2025/26 budget agreed by the Caithness Committee in January 2025.

#### 6.2 **Income**

Rental income comprises rent from Thurso Caravan Park of £56,109 which includes backdated rent from previous years.

#### 6.3 **Expenditure**

Staff costs amounting to £192.

### 7 **Budget 2026/27**

7.1 The proposed budget for 2026/27 is outlined in **Appendix 3**.

#### 7.2 **Rental Income**

Rental income of approximately £7,500 comprises estimated rent for Thurso Caravan Park, but the exact amount is determined as a percentage of the Caravan Park turnover.

#### 7.3 **Interest On Revenue Balances**

It is anticipated that interest receivable on projected revenue balances will be minimal in 2026/27, approximately £2,700.

#### 7.4 **Expenditure**

The budget includes provision for the following:-

- Officer costs – a contribution of up to £2,000 towards the Common Good Officer costs.
- Miscellaneous property costs of £3,000 to cover any minor maintenance and other property associated costs.

#### 7.5 **Fund Balance**

Members are asked to note that the proposed amended budget will lead to a surplus of £5,200 Usable Reserves are therefore expected to be £72,986 at 31 March 2027. This is a small sum in comparison with the asset values (£400,000) and potential fund liabilities, highlighting the need to develop a strategy to increase income and establish sufficient reserves.

## 8 Common Good Update

### 8.1 Current position and outlook

Thurso Common Good Fund assets are listed on the Highland Council website and include buildings, parks, gardens and recreation ground, golf course, and a caravan site. The only income earning asset at present is the caravan site. The golf course is let at a peppercorn rent. The buildings – Burgh Chamber and Town Hall – are occupied by Highland Council and Highlife Highland respectively, and while no rent is received, the buildings are lit, heated and maintained by the occupants, avoiding liability falling to the Common Good Fund. The parks, gardens and recreation ground are managed and maintained by Highlife Highland through the existing Service Delivery Contract and by the Council's Amenities service.

In the longer-term Thurso Common Good Fund needs to develop revenue sources to cover operational costs and to build reserves to cover liabilities. Members are asked to note that until the Fund generates a sustainable surplus and has established sufficient reserves to cover liabilities, expenditure from the fund on wider community projects will not be possible.

### 8.2 Common Good Working Group

The Common Good Officer continues to work with a cross-service group to develop a new Highland Council Common Good Policy to inform and guide the management of all Highland Common Good Funds, including the management of reserves. The policy will also address the particular challenges faced by newly identified Common Good Funds such as Thurso Common Good Fund which have no or limited income and minimal reserves. The policy, being Highland wide will require approval at full Council or strategic committee. Members will be updated in due course.

Designation: Assistant Chief Executive - Place

Date: 7 January 2026

Authors: Cai MacIver, Community Development Manager  
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Background Papers: None

Appendices: Thurso Common Good Fund – Statement of Account  
2024/25  
Thurso Common Good Fund – Quarterly Monitoring  
2025/26 Q3  
Thurso Common Good Fund – Proposed Budget 2026/27

APPENDIX 1

STATEMENT OF ACCOUNTS 2024-25

Thurso Common Good Fund

Income and Expenditure Account

	2024/25 £	2023/24 £
<u>Expenditure</u>		
Grants and contributions	-	-
Property repairs and maintenance	-	-
Administration charges	-	-
Staff Costs	-	-
Total expenditure	-	-
<u>Income</u>		
Rents	9,180	
Miscellaneous income	-	
Interest and investment income	89	
Total income	9,269	-
<b>Surplus/(deficit) for the year</b>	<b>9,269</b>	<b>-</b>
Revaluation gains/(losses)	-	400,000
<b>Total comprehensive income and expenditure</b>	<b>9,269</b>	<b>400,000</b>

Balance Sheet

	31/03/2025 £	31/03/2024 £
<u>Non current assets</u>		
Investment Properties	400,000	400,000
Heritage assets	-	-
	400,000	400,000
<u>Current assets</u>		
Loans fund deposits	9,269	-
Sundry Debtors	-	-
	9,269	-
<u>Current Liability</u>		
Other Creditors	-	-
<b>Total assets</b>	<b>409,269</b>	<b>400,000</b>
Revenue funds	9,269	-
Capital funds	400,000	400,000
<b>Total reserves</b>	<b>409,269</b>	<b>400,000</b>

**APPENDIX 2**

**Thurso Common Good Fund  
Quarterly Monitoring  
Period to Dec 25 (25/26 Q3)**

	<b>Actual £</b>	<b>Budget £</b>	<b>Estimated Outturn £</b>	<b>Variance £</b>
<b>Income</b>				
Rents	56,109	7,500	56,109	48,609
Interest and investment income	-	-	2,600	2,600
<b>Total Income</b>	<u>56,109</u>	<u>7,500</u>	<u>58,709</u>	<u>51,209</u>
<b>Expenditure</b>				
Property costs	-	-	-	-
Staff Costs	192	-	192	192
Miscellaneous Costs	-	-	-	-
<b>Total Expenditure</b>	<u>192</u>	<u>-</u>	<u>192</u>	<u>192</u>
<b>Income less Expenditure Surplus (Deficit)</b>	<u><b>55,917</b></u>	<u><b>7,500</b></u>	<u><b>58,517</b></u>	<u><b>51,017</b></u>
<b>Revenue reserves 2024/25</b>		9,269		
Estimated outturn for 25/26		<u>58,517</u>		
<b>Estimated revenue reserves 2025/26</b>		<u><b>67,786</b></u>		

**Thurso Common Good Fund  
Budget 2026/27**

	<b>Draft Budget 2026/27 £</b>
<u>Income</u>	
Rents	7,500
Interest and investment income	<u>2,700</u>
<b>Total Income</b>	<b>10,200</b>
<u>Expenditure</u>	
Staff costs	2,000
Property costs	<u>3,000</u>
<b>Total Expenditure</b>	<b>5,000</b>
	<u><u>5,200</u></u>
<b>Surplus/(deficit) for the year</b>	
<b>Estimated Revenue Reserves 2025/26</b>	<b>67,786</b>
Budget surplus/(deficit) for 26/27	<u>5,200</u>
<b>Forecast year end reserves 2026/27</b>	<b><u><u>72,986</u></u></b>