
Monitoring Report for 9 Months to end December 2012

Report by the Chief Financial Officer

Hawick Common Good Sub Committee

19 February 2013

1 PURPOSE AND SUMMARY

- 1.1 **This report sets out details of transactions for the 9 months to 31 December 2012 and projections of the annual outturn with variances from the final budget, with resultant requested budget virements and the projected effect on Revenue and Capital Reserves at 31 March 2013.**
- 1.2 Expenditure is projected to be greater than the approved budget by £24. Income is projected to exceed budget by £2,481. Appendix 1 shows key information on the performance and activities of the Common Good Fund.

2 RECOMMENDATIONS

- 2.1 **It is recommended that the Common Good Sub Committee approves:-**
- (a) the financial performance for 2012/13 as shown in Appendix 2 and notes:-**
 - (b) the key figures shown in Appendix 1**
 - (c) the Grants Analysis provided in Appendix 3**
 - (d) the projected balances on Revenue and Capital Reserves as shown in Appendix 4**
 - (e) the performance of the Property Portfolio as shown in Appendix 5.**

3 PROJECTED OUTTURN 2012/13

- 3.1 Appendix 1 brings together key financial data on the Revenue performance and Balance Sheet situation for 2012/13.
- 3.2 Appendices 2 to 6 provide details on the Revenue budget in an expanded form, Grants paid and payable, Revenue and Capital reserves, the performance of the Property Portfolio and proposed budget virements.
- 3.3 Interest is not credited until the end of the year and therefore the amount is dependent on interest rates over the remainder of the year. It should be remembered that whilst Capital Funds held in SBC loans funds are placed on 90 day notice and attract currently an interest rate of 1.25%, the balances held on the Revenue Loans Funds are receiving a substantially lower rate of interest. The Sub Committee should continue to regularly review the amount held in the Revenue Loans Fund.
- 3.4 Taking all of the above into consideration the Common Good Fund is projecting total expenditure of £144,218 and income of £107,725 supplemented by a draw down of £35,853 from the Revaluation Reserve, resulting in a projected outturn net expenditure of £640. This is £2,457 lower than the current budget of £3,097.

4 REVENUE & CAPITAL RESERVES

- 4.1 Appendix 4 shows the effect on accumulated reserves of the projected outturn for 2012/13.

5 IMPLICATIONS

5.1 Financial

There are no financial implications, other than those explained above in Sections 3 and 4.

5.2 Risk and Mitigations

No significant risk to the financial position of the fund is identified.

5.3 Equalities

It is anticipated that there are no adverse equality implications arising from the proposals contained in this report.

5.4 Acting Sustainably

Whilst there are no economic, social or environmental effects arising from the proposals contained in this report, there are, through the activities reported upon, positive impacts upon the economy through protection of employment, positive impacts upon the quality of community life,

improvements in local amenities and nurturing of local talent.

5.5 **Changes to Scheme of Administration or Scheme of Delegation**

There are no changes required to the Scheme of Administration or Scheme of delegation arising from the proposals contained in this report.

6 **CONSULTATION**

- 6.1 The Head of Legal and Democratic Services, the Head of Audit and Risk and the Clerk to the Council have been consulted and their appropriate comments have been incorporated into this report.

Approved by

David Robertson - Chief Financial Officer **Signature**

Author(s)

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Background Papers:

Previous Minute Reference:

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Andrew Mitchell can also give information on other language translations as well as providing additional copies.

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Key Figures

Based upon data to 30.9.12

	£	£
Projected Outturn:		
Property Rental Income		96,093
Less Expenditure on property		-41,000
Net Income		55,093
Add other income sources:-		
Miscellaneous		33
Interest on Capital & Revenue Loans Funds with SBC		2,335
Investment Income		3,700
		61,161
Less Expenditure on running costs:-		
Administration	-500	
Net Central Support Service Costs	-5,277	
		-5,777
Excess of Income over running costs		55,384
Less Expenditure other than running costs:-		
Grants & Donations made to local bodies		-33,000
Cost in current year of Pilmuir Cottage restoration		-20,000
Cost of replacement shed door at Pilmuir		-3,024
Projected Funding required from Reserves		640

Projected Revenue Reserve		
Revenue Reserve at start of year		255,461
Less Projected funding required for Revenue Expenditure above		-640
		-
Less Transfer to Capital Reserve		150,000
Projected Revenue Reserve at end of year		104,821

Grants & Donations		
Total Grants budget for the year		33,000
		-
Prior Year Grants	19,338	
Grants approved in 2012/13 to date	-4,359	
		-23,697
Remaining budget available for Grants in the rest of the year		9,303

Investments & Loans		
Investments externally managed		144,794
Revenue in SBC Loans Funds		
Funds invested in SBC Revenue Loans Fund at start of current year		272,564
Capital in SBC Loans Funds		
Funds invested in SBC Capital Loans Fund at start of current year		53,290
Movement in this fund in the year to date		150,000
		203,290

Effect of inflation on the value of the Funds invested in the SBC Capital Loans Fund		
RPI March 2011 to March 2012	3.57%	
Transfer from revenue required to retain buying power of this investment		1,902

**SCOTTISH BORDERS COUNCIL
HAWICK COMMON GOOD FUND
REVENUE BUDGET MONITORING 2012/13**

Appendix 2

Description	Current Budget for the year to 31.3.12	Actual Transactions to 30.9.12	Over spend to date against full year budget	Under spend to date against full year budget	Projected Outturn for year to 31.3.13	Projected over spend for year against full year budget	Projected under spend for year against full year budget
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	£	£	£	£	£	£	£
Expenditure							
Property costs	41,000	38,530		2,470	41,000	0	
Property Renovation Pilmuir Cottage	20,000	19,175		825	20,000		0
Property Renovation Pilmuir Farm	3,000	0		3,000	3,024	24	
Central Support Services Recharges	10,841	0		10,841	10,841	0	
Administration	500	62		438	500	0	
Depreciation	35,853	0		35,853	35,853	0	
Donations and contributions	33,000	22,197		10,803	33,000	0	
Total Expenditure	144,194	79,964	0	64,230	144,218	24	0

Description	Current Budget for the year to 31.3.12	Actual Transactions to 30.9.12	Under generation of income to date against full year budget	Over generation of income to date against full year budget	Projected Outturn for year to 31.3.13	Projected under generation of income for year against full year budget	Projected over generation of income for year against full year budget
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	£	£	£	£	£	£	£
Income							
Rents etc	94,180	97,392	(3,212)		96,093		1,913
Interest received	1,800	0	1,800		2,335		535
Dividend income	3,700	0	3,700		3,700		0
Other Income	0	33		33	33		33
Central Support Services support grant	5,564	0	5,564		5,564		0
	105,244	97,425	7,852	33	107,725	0	2,481
Funding from Fixed Asset Restatement Reserve	35,853	0	35,853		35,853		0
Total Income	141,097	97,425	43,705	33	143,578	0	2,481
Net Expenditure Totals	3,097	-17,461			640		
Net expenditure over spend & under generation of Income							
Net expenditure under spend & income over generation				20,558			2,457

**SCOTTISH BORDERS COUNCIL
HAWICK COMMON GOOD FUND
DONATIONS AND CONTRIBUTIONS PAID AND APPROVED 2012/13**

Appendix 3

	Date			
	Approved	£	£	£
Approved Budget				33,000
Paid as at 30 September 2012				
Hawick Reivers Assoc. Festival support - hall hire	20.3.12	500		
Volunteer Park Sports Club Contribution to new boiler for clubhouse	20.3.12	4,500		
Hawick Welcome Initiative support re Hosts operation	20.3.12	4,000		
Burnfoot Community Futures Hire of 2 Portaloos - Easter Funday	20.3.12	132		
Burnfoot Community Council Burnfoot Carnival support	20.3.12	2,000		
Future Hawick Support for Empty shop frontage pilot scheme	20.3.12	2,750		
Salvation Army Town Hall hire for Carol Service Christmas 2011	20.3.12	240		
Salvation Army Town Hall hire reduction	20.3.12	-75		
Hawick & District Railway Socy Model Railway Show Hall hire	19.6.12	550		
Hawick Honorary Provost's Council	19.6.12	2,000		
Hawick Community Council - Bill McLaren Memorial Project (Bust)	15.3.11	3,000		
Hawick Community Council - Bill McLaren Memorial Project (Bust)	19.6.12	2,000		
Hawick Rugby Football Club Disclosure re Mini Rugby coaches	20.11.12	300		
Connor Telfer Assistance with cycling as member of Scottish squad	18.9.12	300		
Total paid as at 30 September 2012			22,197	
Approved but not paid at 30 September 2012				
Volunteer Park Sports Club Contribution to new boiler for clubhouse	20.3.12	500		
Salvation Army Town Hall hire balance approved	20.3.12	75		
Friends of St Margaret's Pupil swimming	1.4.10	216		
Available to be written back as not required		791		
Written back as not required		-791		
The Ancient Order of Mosstroopers "Horse" restoration fund contribution	20.9.11	1,500		
Total approved but not paid at 30 September 2012			1,500	
Total paid and approved at 30 September 2012				23,697
Remaining Budget for 2012/13				9,303

SCOTTISH BORDERS COUNCIL

Appendix 4

HAWICK COMMON GOOD FUND

PROJECTED RESERVES AS AT 31 MARCH 2013

Revenue Reserve	£
Balance as at 31 March 2012	255,461
Less Projected net expenditure for 2012/13	-640
Less transfer to Capital reserve	-150,000
Projected balance at 31 March 2013	<u>104,821</u>
Capital Reserve	£
Balance as at 31 March 2012	337,601
Projected movement during 2012/13	150,000
Projected balance at 31 March 2013	<u>487,601</u>

HAWICK COMMON GOOD FUND
Property Portfolio Performance
to end September 2012

Appendix 5

	Rental Income		Expenditure to end September 2012										
	1.4.12 Book Value	Current Budget	Projected Outturn	Repairs	Ground Maint.	Plumbing & Drains	Ins.	Rates Water & Power	Estates & Property Service	Misc	Cottage restoration	Letting Costs	Total
Fixed Assets	£	£	£	£	£		£	£	£			£	£
Hawick Moor Racecourse & Bld	30,325	900	310	5,318	2,128	1,718		256					9,419
Hut at St Leonards	13,110			1,503				210					1,713
Mill Path Stables	16,400			33				263					296
Bunting For Common Riding										339			339
Sub Total		900	310	6,854	2,128	1,718	0	729	0	339	0	0	11,767
Common Haugh	328,000	6,700	8,776	14,256		15		667					14,938
Hawick Golf Course	86,500	4,700	4,700										0
Haggis Ha/Burnflat wall				993									993
Hawick Moor Shootings	3,000		600										0
Lothian St. Stores	16,785	2,550	2,550										0
Nipknowes (Woodend Grazings-East)	850	150	75										0
Nipknowes (Woodend Grazings-West)	850	150	75										0
Pilmuir Farm & Farmhouse	1,047,375	45,000	45,000	2,271									2,271
Pilmuir Farm Cottages	59,000	4,500	4,800					172				547	719
Pilmuir Farm Cottage restoration	0									19,175			19,175
Pilmuir Farm Shootings	0		-300										0
St Leonards Horse Gallop	10,000	750	550										0
St Leonards Cottage & Park	119,487	5,100	5,100										0
St Leonards Farmhouse & buildings	201,860	8,300	8,300			369							369
St Leonards Grazings	200,000	7,315	7,315										0
Williestruther Cottage	111,900	6,250	6,250	95	200								295
Williestruther Loch	4,500	315	375	538	557								1,095
Under Haugh	0												0
Volunteer Park & Stand	277,700	1,500	1,617	292									292
Moat Park	0												0
Hawick Burgh Woodland	73,000												0
Acreknowe Reservoir	0												0
Ca'Knowe Monument	0												0
Feu Duty Redemptions	18												0

Fixed Assets

100 Stairs and adjacent land
 Property & Estates Service - Time
 Charges
 NFU Subscription (part)
 General
Income & Expenditure Totals
 Book Value of Assets at 1.4.12

1.4.12 Book Value	Rental Income		Expenditure to end September 2012									
	Current Budget	Projected Outturn	Repairs	Ground Maint.	Plumbing & Drains	Ins.	Rates Water & Power	Estates & Property Service	Misc	Cottage restoration	Letting Costs	Total
£ 0	£	£	£	£		£	£	£			£	£
								2,770				2,770
						3,020						3,020
	94,180	96,093	25,298	2,884	2,102	3,020	1,569	2,770	339	19,175	547	57,705
2,600,660												