
**Outturn for 2013/14, Budget Setting 2014/15 & Monitoring
Report for 6 Months to end September 2014**

Report by the Chief Financial Officer

Peebles Common Good Working Group

3 December 2014

1 PURPOSE AND SUMMARY

- 1.1 This report sets out the outturn for 2013/14, variances from the final budget and the effect on revenue and capital reserves at 31 March 2014. It also sets out a budget for the year to 31 March 2015 for which approval is sought, together with details of transactions for the 6 months to 30 September 2014 and their projected impact upon reserves at 31 March 2015.
- 1.2 The performance of the investment in the Newton Fund is reported in paragraph 6 below.
- 1.3 Income and Expenditure for 2014/15 are projected to be in line with the proposed budget in Appendix 6.

2 RECOMMENDATIONS

- 2.1 **It is recommended that the Common Good Working Group:**
 - (a) **approves**
 - (i) **the budget for 2014/15 as shown in Appendix 6 and**
 - (b) **notes**
 - (i) **the key outturn figures for 2013/14 shown in Appendix 1**
 - (ii) **the financial performance for 2013/14 as shown in Appendix 2**
 - (iii) **the grants analysis provided in Appendix 3**
 - (iv) **the balances on revenue and capital reserves at 31 March 2014 as shown in Appendix 4**
 - (c) **(i) the key figures for 2014/15 shown in Appendix 5**
 - (ii) **the financial monitoring report for 2014/15 as shown in Appendix 6**
 - (iii) **the grants analysis for 2014/15 provided in Appendix 7**
 - (iv) **the projected balances on revenue and capital reserves**

at 31/3/15 as shown in Appendix 8
(v) the review of the property portfolio provided in Appendix 9.

2 ACTUAL OUTTURN 2013/14

- 2.1 During 2013/14 the Common Good Fund had total expenditure of £60,912 and income of £65,348 supplemented by £21,809 from the Revaluation Reserve, resulting in an outturn net revenue surplus of £26,245.

3 PROJECTED OUTTURN 2014/15

- 3.1 Appendix 1 summarises key financial data on the Revenue performance and Balance Sheet situation for 2014/15.
- 3.2 Appendices 2 to 5 provide details on the proposed revenue budget in an extended format showing grants paid and payable, revenue and capital reserves and the performance of the property portfolio.
- 3.3 Projected income from interest and dividends for 2014/15 has been updated following the dividend distribution from the Newton Fund made in September. A second distribution in respect of dividends should follow in February 2015. Interest is not added until the end of the year and the amount is dependent on interest rates over the remainder of the year.
- 3.4 Projected income and expenditure are in line with the proposed budget.
- 3.5 Taking all of the above into consideration the Common Good Fund is projecting total expenditure of £82,035 and income of £66,100 supplemented by £21,809 from the Revaluation Reserve, resulting in an outturn net surplus of £5,874.

4 REVENUE & CAPITAL RESERVES

- 4.1 Appendix 4 shows the effect on accumulated reserves of the projected outturn for 2014/15.

5 INVESTMENTS

- 5.1 The performance of the fund since inception is a return of 4.01%, which remains ahead of the target return of 3.54%. The values of the investment at the start of the financial year and at the end of September 2014 are shown in Appendix 5.
- 5.2 Distributions from the Fund are made twice a year in September and February. A dividend of £6,119 was received by the Peebles Common Good Fund at 30 September 2014.

6 IMPLICATIONS

6.1 Financial

There are no financial implications, other than those explained above in sections 3, 4 & 5.

6.2 Risk and Mitigations

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

6.3 Equalities

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

6.4 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.

6.5 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.

7 CONSULTATION

- 7.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and their comments incorporated into this report.

Approved by

David Robertson – Chief Financial Officer

Signature

Author(s)

Name	Designation and Contact Number
Andrew Mitchell	Senior Financial Analyst
Neil Campbell	Senior Finance Officer – Capital & Investments (Tel 01835 824000, Ext 5495)

**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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**Scottish Borders Council
Peebles Common Good**

Appendix 1

**Key
Figures**

2013/14

	£	£
<u>2013/14 Outturn:</u>		
Property Rental Income		49,304
Less Expenditure on property		-5,601
Net Income		43,703
Income from other sources:-		
Interest and Dividends	5,811	
Land Sale	7,500	
Cash collected from Fountain	0	
		13,311
		57,014
Less Expenditure on running costs:-		
Cost of Haylodge Toilets	-6,571	
Net Central Support Service Costs	-5,094	
		-11,665
Excess of Income over running costs		45,349
Less Expenditure other than running costs:-		
Alterations to Shop at Old Corn Exchange	-13,809	
Net Grants & Donations made to local bodies	-5,295	
		-19,104
Funds to Transfer to Revenue Reserve		26,245

<u>Revenue Reserve</u>		
Revenue Reserve at start of year		54,823
Add Projected funding available from net Revenue income above		26,245
Projected Revenue Reserve at end of year		81,068

<u>Grants & Donations</u>		
- Approved budget for Grants		27,795
- Less approved expenditure:-		
Prior Year Grants paid this year	-5,000	
Grant to be made as condition of Donation received	0	
Grants approved in 2013/14 to date	-295	
		-5,295
Unused Budget by year end.		22,500

Investments & Loans

External Investment - Newton Fund

In December 2013 the Council approved the recommendation of the Peebles Common Good Fund Sub Committee to invest a total of £350,000 in the Newton Managed Fund.

The Fund makes distributions in February and September.

In 2013/14 the Newton Investment Fund exceeded its performance target.

The valuation of the Peebles Common Good in the fund is

Cost	350,000
Value at 1.4.14	356,851

Funds on Interest Free Loan to Tweedgreen until 31.3.13	3,000
Less repaid	(3,000)
	<u>0</u>
Revenue in SBC Loans Funds	
Funds invested in SBC Revenue Loans Fund at 31.3.14	86,691
Capital in SBC Loans Funds	
Funds invested in SBC Capital Loans Fund at 31.3.14	0

**SCOTTISH BORDERS COUNCIL
PEEBLES COMMON GOOD FUND
REVENUE OUTTURN FOR 2013/14**

Appendix 2

Description	Approved Annual Budget	Actual Transactions for year to 31.3.14	Over / (under) spend for year against full year budget
	(1)	(2)	(2)-(1) (3)
Expenditure	£	£	£
Donations and contributions			
Material for Gardens at Dovecot Court Sheltered Housing	2,500	0	(2,500)
Approved in prior year	5,000	5,000	0
For approval in current year	20,295	295	(20,000)
	27,795	5,295	(22,500)
Property costs			
Shop Division	8,000	5,601	(2,399)
Haylodge Toilet Provision	13,809	13,809	0
Central support recharges	6,600	6,571	(29)
Depreciation	7,827	7,827	0
Transfer to Capital Reserve	21,648	21,809	161
	7,500		(7,500)
	93,179	60,912	(32,267)
Income			
Donations from Fountain	(20)	0	20
Sale of Land	(7,500)	(7,500)	0
Rents etc	(54,392)	(49,304)	5,088
Interest received	(4,000)	(5,811)	(1,811)
Central Support Recharges Grant	(2,706)	(2,733)	(27)
	(68,618)	(65,348)	3,270
Funding from Fixed Asset Revaluation Reserve	(21,648)	(21,809)	(161)
Funding from reserves for Shop Division & Grant re DCSH funded in 2012/13	(20,320)		20,320
Net (Income) / Expenditure	(17,407)	(26,245)	(8,838)

SCOTTISH BORDERS COUNCIL

PEEBLES COMMON GOOD FUND

Appendix 3

DONATIONS AND CONTRIBUTIONS PAID AND APPROVED 2013/14

	Date Approved	£	£	£
Approved budget for 2013/14				27,795
Paid as at 31 March 2014				
<u>Approved prior to 31.3.13</u>				
Eastgate Theatre Upgraded IT and integrated Box-office for online booking	6.3.13	5,000		
		<hr/>	5,000	
<u>Approved in Current Year</u>				
Remembrance Sunday PA system		205		
Remembrance Sunday booklets		90		
		<hr/>	295	
Total paid as at 31 March 2014			<hr/> 5,295 <hr/>	
Approved but not yet paid as at 31 March 2014				
<u>Approved in Current Year</u>				
Peebles Rugby Football Club - Drainage & Lighting		20,000		
		<hr/>	20,000	
<u>To be made as part of income condition from Scottish Gas Network Donation</u>				
Materials for Gardens at Dovecot Court Sheltered Housing			2,500	
Total approved but not yet paid as at 31 March 2014			<hr/> 22,500 <hr/>	
Total paid and approved as at 31 March 2014				<hr/> 27,795 <hr/>
Budget over committed				0

SCOTTISH BORDERS COUNCIL

PEEBLES COMMON GOOD FUND

Appendix 4

PROJECTED RESERVES AT 31 MARCH 2014

Revenue Reserve

£

Balance as at 31 March 2013
Net income for 2013/14

(54,823)
(26,245)

Balance at 31 March 2014

(81,068)

Capital Reserve

Balance as at 31 March 2013
Net movements in the year

(366,045)
(6,851)

Balance at 31 March 2014

(372,896)

**SCOTTISH BORDERS COUNCIL
PEEBLES COMMON GOOD FUND**

Appendix 5

Key Figures	2014/15	Based upon data to	30.9.14	£	£
<u>Projected Outturn:</u>					
Property	Rental Income				(54,320)
	Less Expenditure on property				8,000
	Net Income				(46,320)
Income from other sources:-					
	Interest & Dividends		(9,000)		
	Land Sale		-		
	Cash collected from Fountain		(20)		
					(9,020)
					(55,340)
Less Expenditure on running costs:-					
	Cost of Haylodge Toilets		(7,000)		
	Net Central Support Service Costs		(5,067)		
					(12,067)
Excess of Income over running costs					(43,273)
Less Expenditure other than running costs:-					
	Alterations to Shop at Old Corn Exchange		2,199		
	Net Grants & Donations made to local bodies		35,200		
					37,399
					(5,874)
Transfer from Revenue Reserve agreed at start of year					-
					(5,874)
Less transfer to Capital Reserve					-
Projected Funds available to return to Revenue Reserve at end of year					(5,874)

<u>Revenue Reserve</u>					
	Revenue Reserve at start of year				(81,068)
	Add Projected funding available from net Revenue income above				(5,874)
	Projected Revenue Reserve at end of year				(86,942)

<u>Grants & Donations</u>					
	Approved budget for Grants				(35,200)
	Less approved expenditure:				
	Prior Year Grants to be paid this year		12,700		
	Grant to be made as condition of Donation received		2,500		
	Grants approved in 2014/15 to date		4,870		
					(20,070)
	Remaining current budget available for grants in the rest of the year				(15,130)

<u>Investments & Loans</u>					
	External Investment - Newton Fund Cost in 2013/14				350,000
	Value of investment in Newton Fund at 1.4.2014				356,851
	Value of investment in Newton Fund at 30.6.2014				361,100
	Value of investment in Newton Fund at 30.9.2014				355,185

**SCOTTISH BORDERS COUNCIL
PEEBLES COMMON GOOD FUND
REVENUE BUDGET MONITORING 2014/15**

Appendix 6

Description	Proposed Current Yr Annual Budget	Actual Transaction for 6 months to 30/9/14	Over / (Under) spend to date against full year budget	Projected Outturn for the year	Projected Over / (under) spend for year against full year budget (4)-(1)
	(1)	(2)	(2)-(1) (3)	(4)	(5)
Expenditure	£	£	£	£	£
Donations and contributions					
Material for Gardens at Dovecot Court Sheltered Housing	2,500	-	(2,500)	2,500	-
Approved prior to 31.3.13	12,700	12,700	-	12,700	-
For approval in 2014/15	20,000	3,000	(17,000)	20,000	-
	35,200	15,700	(19,500)	35,200	-
Property costs	8,000	1,027	(6,973)	8,000	-
Shop Division	2,199	2,199	-	2,199	-
Haylodge Toilet Provision	7,000	2,843	(4,157)	7,000	-
Central support recharges	7,827	-	(7,827)	7,827	-
Depreciation	21,809	-	(21,809)	21,809	-
Transfer to Capital Reserve					
	82,035	21,770	(60,265)	82,035	
Income					
Donations from Fountain	(20)	-	20	(20)	-
Rents etc	(54,320)	(49,886)	4,434	(54,320)	-
Interest & Dividends	(9,000)	(6,119)	2,881	(9,000)	-
Central Support Recharges Grant	(2,760)	-	2,760	(2,760)	-
	(66,100)	(56,005)	10,095	(66,100)	-
Funding from Fixed Asset Restatement Reserve	(21,809)	-	21,809	(21,809)	-
Net (Income) / Expenditure	(5,874)	(34,236)	(28,362)	(5,874)	-

SCOTTISH BORDERS COUNCIL				
PEEBLES COMMON GOOD FUND				
DONATIONS AND CONTRIBUTIONS PAID AND APPROVED 2014/15				
	Date Approved	£	Appendix 7 £	£
Proposed budget for 2014/15				35,200
Paid as at 30 September 2014				
<u>Approved prior to 31.3.14</u>				
Peebles Rugby Football Club - Drainage & Lighting		20,000		
Funding not required		(7,300)	12,700	
<u>Approved in Current Year</u>				
Peebles Arts Festival - programmes and distribution	7.5.14	2,000		
Venlaw Community Woodland - running costs	7.5.14	1,000	3,000	
Total paid as at 30 September 2014			15,700	
Approved but not yet paid as at 30 September 2014				
<u>Approved in Current Year</u>				
Peebles Mural Project - Prep of wall if Awards for All funding in place	7.5.14	1,870		
<u>To be made as part of income condition from Scottish Gas Network Donation</u>				
Materials for Gardens at Dovecot Court Sheltered Housing		2,500	4,370	
Total approved but not yet paid as at 30 September 2014				
Total paid and approved as at 30 September 2014			20,070	
Budget still available				15,130

SCOTTISH BORDERS COUNCIL

PEEBLES COMMON GOOD FUND

Appendix 8

PROJECTED RESERVES AT 31 MARCH 2015

Revenue Reserve

£

Balance at 31 March 2014	(81,068)
Projected net income for yr	<u>(2,874)</u>
Balance at 31 March 2015	(83,942)

Capital Reserve

Balance as at 31 March 2014	(372,896)
Projected movement during 2014/15	-
Projected balance at 31 March 2015	<u>(372,896)</u>

SCOTTISH BORDERS COUNCIL

Appendix 9

Peebles Common Good

Details of Assets, Rent Generated & Property Costs. 2014/15

	Net Book Value at 31.3.14	Annual Rental Budget	Projected Rental Outturn at 31.3.15	Property Revenue Costs to 30.9.14	Fencing	Roof repairs	Water & Rates	Electrical Works	New Tank & Pump system	Insurance	Joinery	Estates & Property team recharge
	£	£	£	£	£	£	£	£	£	£	£	£
Jedderfield Farm & Farmhouse	82,583	-2,100	-2,100									
Neidpath Grazings	4,087	-300	-300									
New Kingsland P S Site	60,000	-3,500	-3,500									
Kingsland Sub Station site	0											
Old Corn Exchange	28,700	-3,000	-3,000									
Old Corn Exchange - Band Hall		-450	-450	88			88					
Old Corn Exchange - Shop	134,400	-13,750	-13,750	116			116				20	
Peebles Golf Course	142,000	-15,290	-15,290									
Connor Ridge Monitoring Station	0											
Eliot's Park Grazings	100,000											
Kirklands Garages (8)		-680	-680									
Tweed Green	0											
Tweed Green - Garage 1	2,150	0	0									
Tweed Green - Garage 2	1,500	0	0									
Tweed Green - Garage 3	1,200	0	0									
Tweed Green Car Park site	0											
Greenside Car Park site	0											
Kingsmeadows Car Park site	0											
Kingsmeadow Rd Toilets site	800											
Gas Governor Site	750											
Haylodge Depot	33,933	-8,150	-8,150									
Land at site of 2 Haylodge Cottages	10,200											
Haylodge Park (Rent is for Pavilion site)	0	-150	-150									
Haylodge Park Play Area	0											
Haylodge Park Toilets - Site only	300			161				161				
Ninians Haugh Park Play Area	0											
Ninians Haugh Park	0											
Tweed Fishings	0											
Fotheringham Bridge	0											

Details of Assets, Rent Generated & Property Costs. 2014/15

	Net Book Value at 31.3.14	Annual Rental Budget	Projected Rental Outturn at 31.3.15	Property Revenue Costs to 30.9.14	Fencing	Roof repairs	Water & Rates	Electrical Works	New Tank & Pump system	Insurance	Joinery	Estates & Property team recharge
	£	£	£	£	£	£	£	£	£	£	£	£
Victoria Park Area 1 & 2	0											
Victoria Park Amenity Fues	0											
Victoria Park Tennis Courts	17,699											
Victoria Park Construction Store	0											
Cuddy Green	0											
Old Town Green	0											
Old Town Wall	0											
Land at March Street	0											
Walkershaugh ACF Site	3,900	-450	-450									
Walkershaugh Store	26,600	-6,500	-6,500									
Walkershaugh Bowling Green	400											
Railway Site, Walkershaugh	0											
Railway Embankments Walkershaugh	0											
Venlaw Amenity Ground	0											
Venlaw Quarry - stone rights only	0											
Venlaw Wood	9,500											
The Gytes - former mill lade land only	0											
George Meikle Kemp Monument	0											
Fountain outside Eastgate				79					79			
Sundries effecting more than one property				103							103	
Property Insurances				448						448		
Property Services Time recharge				193								193
	690,012	-54,320	-54,320	1,027	0	0	203	0	79	448	103	193