
Monitoring Report for 9 Months to end December 2012

Report by the Chief Financial Officer

Selkirk Common Good Sub Committee**1 March 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 and the projected effect on Revenue and Capital Reserves at 31 March 2013.**
- 1.2 Expenditure is projected to be in line with the approved budget for 2012/13, whilst income is projected to be greater than budgeted by £28,445 due, in the main, to receipt of the insurance settlement for the snow damage to farm sheds and also to rent from a new source and higher than budgeted interest rates now being obtained on Capital Deposits in SBC Loans Funds.

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 5 provide details on the Revenue budget in an extended format, Grants paid and payable, Revenue and Capital reserves and the performance of the Property Portfolio.
- 3.3 The final account is now known for the provision of the new shed at South Common and account has been taken of this in the outturn projections. Provision has also been made for additional rent due to agreed Landlord Improvements .
- 3.4 The insurance settlement for the loss of old farm sheds at South Common Farm has been received and had not been set in the budget. This is the principle contributor to the reduced requirements of funding from the Revenue Reserve.
- 3.5 Projected income from interest on balances invested in the Council's Loan Fund is projected to be £460 greater than the budget since currently the capital advanced to SBC Loans Fund is now earning 1.25% against 0.475% used to set the budget. 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.
- 3.6 Projected rental income is £1,885 above the budget level due to rent now being received for the use of the Green Hut and the impact of rent reviews and revisions.
- 3.7 A donation from the fishing club of £50 has been received but had not been budgeted for. Income has also been received for the use of land at Smedheugh .
- 3.8 Taking all of the above into consideration the Common Good Fund is projecting total expenditure of £168,723 and income of £93,590 supplemented by a draw down of £54,564 from the Revaluation Reserve, resulting in an outturn net expenditure of £20,569 being £28,388 lower than the budget.

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:

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**Scottish Borders Council
Selkirk Common Good**

Appendix 1

Key Figures	2012/13	£	£
<u>Projected Outturn</u>			
Property	Rental Income		62,288
	Less Expenditure on property		-21,000
	Net Income		41,288
Add Other income sources:-			
	Interest on Capital & Revenue Loans Funds with SBC	1,250	
	Donations	1,050	
			2,300
			43,588
Less Expenditure on running costs:-			
	Net Central Support Service Costs	-11,150	
			-11,150
Excess of income over running costs			32,438
Less Expenditure other than running costs			
	Expenditure on new shed	-58,057	
	less Insurance settlement on old sheds	25,050	
		-33,007	
	Grants & Donations made to local bodies	-20,000	
			-53,007
Projected Funding required from reserves			20,569

<u>Revenue Reserve</u>			
Revenue Reserve at start of year			133,094
	Less Excess of expenditure over income for year from above		-20,569
Projected Revenue Reserve at end of year			112,525

<u>Grants & Donations</u>			
-	Total Grants budget for the year		20,000
-	Less Prior year grants approved to be paid in 2012/13	-3,500	
-	Less Grants approved in 2012/13 to date	-14,497	
-			-17,997
-	Remaining available budget		2,003

<u>2013/14 Grants & Donations</u>			
	Grants approved to be paid in 2013/14		5,890

<u>Investments & Loans</u>	
Investments externally managed	0
Revenue in SBC Loans Funds	
Funds invested in SBC Revenue Loans Fund at start of current year	136,022
Capital in SBC Loans Funds	
Funds invested in SBC Capital Loans Fund at start of current year	48,606
Movement in this fund in the year to date	0

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	1,735

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

Appendix 2

Description	Current Budget for the year to 31.3.13	Actual Transactions to 31.12.12	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	21,000	8,554		12,446	21,000	0	0
New Shed	58,000	40,958		17,042	58,057	57	0
Central Support Services recharges	15,102	0		15,102	15,102	0	0
Administration	0	0		0	0	0	0
Depreciation	54,564	0		54,564	54,564	0	0
Donations and contributions	20,000	17,997		2,003	20,000	0	0
Total Expenditure	168,666	67,509	0	101,157	168,723	57	0

Description	Current Budget for the year to 31.3.13	Actual Transactions to 31.12.12	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	60,403	59,208	1,195		62,288	0	1,885
Old Sheds Insurance Settlement	0	25,050		25,050	25,050	0	25,050
Donation	0	1,050		1,050	1,050	0	1,050
Interest received	790	0	790		1,250	0	460
Central Support Services support grant	3,952	0	3,952		3,952	0	0
	65,145	85,308	5,937	26,100	93,590	0	28,445
Funding from Fixed Asset Restatement Reserve	54,564	0	54,564		54,564	0	0
Total Income	119,709	85,308	60,501	26,100	148,154	0	28,445

Net Expenditure Totals	48,957	-17,799			20,569		
Net expenditure over spend & under generation of Income			0			0	
Net expenditure under spend & income over generation				66,756			28,388

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

Appendix 3

	Date Approved	£	£	£
Approved 2012/13 Budget				20,000
Paid as at 31 December 2012				
Plant to Plate & Scottish Borders Junior Chef Challenge	27/03/12	3500		
Selkirk Silver Band Uniforms	05/06/12	750		
Selkirk Community Council - Selkirk Hill management	04/09/12	10,000		
Rowland's Summer activity	04/09/12	500		
Scott's Selkirk Association - New Stalls & tunnel tents	31/10/12	2,747		
Selkirk Silver Band - Hosting Borders Entertainment Contest	31/10/12	500		
Total paid as at 31 December 2012			17,997	
Approved but not paid as at 31 December 2012				
Total approved but not paid as at 31 December 2012			0	
Total paid and approved as at 31 December 2012			17,997	
Remaining available 2012/13 budget				<u>2,003</u>
Approved in principle from 2013/14 Budget				
Flodden 500- Interpretation boards & benches for memorial garden	31/10/12	3,000		
Selkirk Chamber of Commerce- Improve prospects for retailing in town	31/10/12	2,890		
Total commitment of 2013/14 budget			<u>5,890</u>	

SCOTTISH BORDERS COUNCIL

Appendix 4

SELKIRK COMMON GOOD FUND

RESERVES AT 31 MARCH 2013

Revenue Reserve	£
Balance as at 31 March 2012	133,094
Less Projected Net expenditure for 2012/13	-20,569
Projected balance at 31 March 2013	112,525
Capital Reserve	£
Balance as at 31 March 2012	48,606
Movement during 2012/13	0
Balance at 31 March 2013	48,606

**SCOTTISH BORDERS COUNCIL
SELKIRK COMMON GOOD FUND
Property Portfolio Performance**

Appendix 5

2012/13

	1.4.12 Book Value	Rental Income		Expenditure to 31 December 2012								Total
		Current Budget	Projected Outturn	Plumbing / Central Heating	Insurance	Painting	Roof	General repairs	Dykes Fencing & Drains	Common Riding related	Estates & Property Service	
	£	£	£	£	£	£	£	£	£	£	£	£
Linglie Farm Farmhouse & Cottages	355,771	7,200	7,300		369						61	430
Linglie Farm Shootings	7,500	750	750									0
Linglie Mast Site	68,500	10,832	10,832									0
Linglie Plantation	10,000	0	0									0
Pant Well	0	0	0									0
Pringle Park	0	0	0									0
Pringle Park Play Area	0	0	0									0
Shawburn Rd Amenity Ground	0	0	0									0
Shawburn Toll Embankment	0	0	0									0
Bog Park Recreation Ground	0	0	0									0
Rosebank Quarry	0	0	0									0
Rosebank Quarry Play Area	0	0	0									0
River Ettrick Salmon Fishing	700	0	0									0
Selkirk Golf Course	69,000	0	0									0
Selkirk Shooting Range	0	11	11									0
Selkirk Hill	20,500	410	410									0
Selkirk Town Hall Clock	0	0	0									0
Selkirk Town Hall	129,430	0	0		236						287	523

1.4.12 Book Value	Rental Income		Expenditure to 31 December 2012								
	Current Budget	Projected Outturn	Plumbing / Central Heating	Insurance	Painting	Roof	General repairs	Dykes Fencing & Drains	Common Riding related	Estates & Property Service	Total
£	£	£	£	£	£	£	£	£	£	£	£
Selkirk Town Hall Shops	0	0			608	106	221				935
Shop - 26 Market Place	23,957	4,150	4,123								0
Shop - 28 Market Place	32,870	5,600	5,600								0
Smedheugh Farm Shooting	1,750	175	175								0
South Common Farm Shootings	1,750	175	175								0
Smedheugh Farm & Farmhouse	296,400	23,500	23,500	75	-20			2,228			2,283
Smedheugh Plantation	5,600	0	0								0
South Common Farm Farmhouse & Cottages	307,200	7,600	8,434		348		3,250				3,598
South Common Plantation Selkirk	2,400	0	0								0
Riverside Amenity Site land	75,000	0	0								0
The Green Hut	24,083	0	979								0
Shawpark Rd Development Site	37,500	0	0								0
Victoria Hall	700,770	0	0						865		865
Victoria Hall Caretakers Flat	38,815	0	0								0
Victoria Park & Caravan Park	0	0	0								0
Victoria Park Pavilion site	1,750	0	0								0
General				-88						8	-80
2,211,246	60,403	62,288	75	845	608	106	3,471	2,228	865	356	8,554