

PERTH COMMON GOOD FUND COMMITTEE**25 April 2018****2017/18 AND 2018/19 FINANCIAL STATEMENT****Report by Head of Finance****PURPOSE OF REPORT**

This report details the Income and Expenditure and the projected outturn to 31 March 2018 for Financial Year 2017/18; and the Income and Expenditure to 3 April 2018 and the projected outturn to 31 March 2019 for Financial Year 2018/19.

1. BACKGROUND / MAIN ISSUES

- 1.1 The Committee approved the Perth Common Good Fund budget for 2018/19 at the meeting of 28 February 2018 (Report 18/75 refers). This report provides an update on the projected outturn for 2017/18, together with the approved budget and projected outturn for 2018/19.

2. PROPOSALS**2.1 Financial Statement 2017/18**

On the basis of Appendix 1, it is anticipated that there will be a surplus of £9,275 in 2017/18 and that the Fund's estimated Total Account Balance will be £1,680,001 at 31 March 2018. This includes £1,000,000 as the Minimum Revenue Balance, £300,000 as the Repair and Renewal Reserve and £380,001 of other useable reserves. The movement from the previously reported deficit of £10,526 reported to this Committee on 28 February 2018 (Report 18/75 refers) is mainly attributed to a £19,100 rephasing of Repairs and Maintenance expenditure. Of this, £10,100 relates to the contract for the replacement of the Tay Railway Viaduct Steps and £9,000 for repairs to the causeway. (See 2.2 and 2.3 below).

- 2.2 The funding proposal for the repairs to the Tay Railway Viaduct Steps was approved at the meeting of 4 October 2017 (Report P3 17/330 refers). This included the increase in Repairs and Maintenance - Specific Projects budget for the year from £20,000 to £30,100 for anticipated works prior to 31 March 2018. The contractor has experienced delays in discussions with Network Rail and as such has indicated that £10,100 will now instead be required in 2018/19. The amount has been returned to the Repair and Renewal Reserve for the year 2017/18, to be drawn down as required. The programme for the replacement of the steps is still on track despite this delay.
- 2.3 Following unfavourable weather and tide conditions the causeway repairs scheduled to be undertaken during March 2018 have been delayed and will now take place during 2018/19. It is anticipated these works will commence prior to the replacement of the Tay Railway Viaduct Steps. The estimated cost of £9,000 (Report 16/552 refers) is to be contained within the approved

£15,000 core maintenance budget for Financial Year 2018/19 (Report 18/75 refers).

2.4 Financial Statement 2018/19

On the basis of Appendix 2, which currently only shows the approved budget, there is expected to be a £183,800 deficit for the year. The opening balance of £1,680,001 is subject to finalising the 2017/18 accounts and any change will be reported to a future meeting of the Perth Common Good Fund Committee. The estimated Total Common Good Fund balance at 31 March 2019 is £1,496,201. Of the total balance £1,000,000 is reserved as the Minimum Revenue Balance of the fund to ensure its long-term sustainability and £200,000 is earmarked as a Repair and Renewal Reserve (Report 17/78 refers). This leaves an Uncommitted Revenue Account balance of £296,201 remaining available for the funding of unforeseen expenditure.

3. CONCLUSION AND RECOMMENDATIONS

3.1 The Committee is requested to:-

- (i) Note the Perth Common Good Fund Income and Expenditure and the projected outturn to 31 March 2018 as set out in Appendix 1 to the report.
- (ii) Note the Perth Common Good Fund Income and Expenditure to 3 April 2018 and the projected outturn to 31 March 2019 as set out in Appendix 2 to the report.

Author(s)

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Approved

Name	Designation	Date
Stewart MacKenzie	Head of Finance	5 April 2018
Jim Valentine	Depute Chief Executive and Chief Operating Officer	6 April 2018

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	None

1. Strategic Implications

Corporate Plan

- 1.1 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

- 1.2 This report relates to all objectives.

2. Resource Implications

Financial

- 2.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

4. Consultation

Internal

- 4.1 The Depute Chief Executive, Chief Operating Officer has been consulted in the preparation of this report.

2. BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

- Appendix 1 - Perth Common Good Fund Financial Statement for period to 31 March 2018 for Financial Year 2017/18.
- Appendix 2 - Perth Common Good Fund Financial Statement for period to 3 April 2018 for Financial Year 2018/19.