

## The Highland Council

City of Inverness Area Committee – 5 March 2015

Agenda Item	20(c)
Report No	CIA/20/15

### Inverness Common Good Fund Financial Monitoring

#### Report by the Inverness City Manager

##### Summary

This report presents the expenditure monitoring position for the Common Good Fund as of 31 January 2015 and the projected year end position.

#### 1. Introduction

- 1.1 This report sets out the financial activity on the Common Good as of 31 January 2015. **Appendix 1** shows expenditure to date, the annual agreed budget, the predicted year end outturn and the predicted variance.
- 1.2 The purpose of the report is to advise members of the anticipated financial position against the agreed budget at the end of financial year 2014/15. Regarding significant variances:
  - (i) Refurbishment 1-5 Church Street Project; a report was provided to the Committee in December 2014. The estimated underspend of £0.717m during the current financial year is to be carried forward to 2015/16 as part of planned expenditure of £1.713m.
  - (ii) Inverness City Arts Project; the estimated underspend of £0.175m relates to planned activities which are to take place during the next financial year.
  - (iii) Inverness Common Good Fund Grants; the estimated underspend of £0.172m relates to projects where funding has been agreed before or during 2014/15 but where the delivery of the project and all or part of the actual expenditure is not expected to take place before the end of the current financial year.
  - (iv) Subventions; the estimated underspend of £0.043m relates to grants for conferences where funding has been agreed before or during 2014/15 but where all or part of the actual expenditure is not expected to take place before the end of the current financial year.
  - (v) BID Partnership; the estimated overspend of £0.022m is due to additional expenditure on approved partnership projects.
  - (vi) Winter Payments; there is an estimated underspend of £0.015m. In September 2014 the Committee agreed to the sum of £0.05m (in addition to the original budget allocation of £0.05m) being ring-fenced within the Grants budget to be used for the additional expenditure required for the changed criteria for payments.
  - (vii) Civic and Conference Hospitality; the estimated underspend of £0.012m relates to hospitality where funding has been agreed during 2014/15 but where all or part of the actual expenditure is not expected to take place before the end of the current financial year. The underspend is to be carried forward to 2015/16
  - (viii) Town House Refurbishment and Victorian Market Windows Replacement; the estimated overspends of £0.009m and £0.008m respectively are the subject of separate monitoring reports for capital projects.
- 1.3 The report is produced in support of the Council's corporate governance process.

## **2. Overview**

- 2.1 The report shows total budgeted expenditure for the year of £2.359m to be met by income of £2.359m (including a transfer from Reserves of £0.385m). Projects totalling £2.133m are budgeted to be met from Reserves in 2014/15.
- 2.2 At this stage in the financial year the overall budget is projected to be underspent by £1.083m mainly due to expenditure on capital projects being delayed. This will reduce the draw on Reserves for 14/15 with existing commitments carrying forward to the next financial year.

## **3. Implications**

- 3.1 The report details the financial resource implications. There are no other resource implications. There are no Equalities, Climate Change/Carbon Clever, Legal, Gaelic, Risk or Rural Implications.

### **Recommendation**

The Committee is invited to note the financial monitoring report.

Designation: Inverness City Manager  
Date: 18 November 2014  
Authors: Victoria Macdonald, Accountant  
Stewart Wardlaw, Ward Manager

**MONITORING STATEMENT 2014/15  
INVERNESS COMMON GOOD FUND  
FOR PERIOD ENDING 31 JAN 2015**

	ACTUAL YEAR TO DATE	ANNUAL BUDGET	ESTIMATED OUTTURN	ESTIMATED VARIANCE
	£000	£000	£000	£000
<b>INCOME</b>				
<b>Rents</b>				
Industrial Estates	1,264	1,395	1,395	0
Victorian Market	227	282	282	0
Town House	0	253	253	0
Other Properties	30	39	39	0
	<u>1,521</u>	<u>1,969</u>	<u>1,969</u>	<u>0</u>
<b>Other Income</b>				
Contribution to Grants from Reserves		384	384	0
Interest on Revenue Balances	0	5	5	0
<b>TOTAL INCOME</b>	<u>1,521</u>	<u>2,359</u>	<u>2,359</u>	<u>0</u>
<b>EXPENDITURE</b>				
Industrial Estates	1	5	5	0
Victorian Market	141	185	185	0
Town House Maintenance	73	100	100	0
Other Properties	88	130	130	0
Civic and Conference Hospitality	91	120	108	(12)
Ness Islands & Bank Maintenance	0	27	27	0
Festive Lights	1	65	65	0
Town Twinning	0	9	4	0
Winter Payments	52	100	85	(15)
Inverness Common Good Fund Grants	503	772	600	(172)
City Promotions	38	50	50	0
Subventions	6	63	20	(43)
BID Partnership	83	70	92	22
Events & Festivals	314	370	365	0
CCTV	92	90	92	0
Property Management Fees	98	118	118	0
Central Support Charge	60	60	60	0
Other Charges	12	14	14	0
Town House Other Costs	5	11	11	0
<b>TOTAL EXPENDITURE</b>	<u>1,658</u>	<u>2,358</u>	<u>2,130</u>	<u>(220)</u>
<b>Income Less Expenditure</b>	<u>(137)</u>	<u>1</u>	<u>(228)</u>	<u>(220)</u>
<b>PROJECTS</b>				
Town House Refurbishment	109	100	109	9
CGF contribution to re-wiring of Town House	51	51	51	0
Refurbishment 1-5 Church Street	119	917	200	(717)
Streetscape Riverside Flood Prevention Project	800	800	800	0
Victorian Market Windows Replacement	48	40	48	8
Inverness City Arts Project	19	225	50	(175)
<b>TOTAL PROJECTS</b>	<u>1,146</u>	<u>2,133</u>	<u>1,258</u>	<u>(875)</u>