

Agenda Item	11(a)
Report No	CIA/34/17

HIGHLAND COUNCIL

Committee: City of Inverness Area Committee

Date: 14 September 2017

Report Title: Inverness Common Good Fund Financial Monitoring

Report By: Inverness City Area Manager

Purpose/Executive Summary

This report presents the expenditure monitoring position for the Inverness Common Good Fund as at 31 July 2017 and the projected year end position.

Recommendations

Members are asked to:

- i. consider the financial monitoring report to July 2017; and
- ii. homologate the expenditure from the City Promotions Budget.
- iii. agree to the storage relocation of the City of Inverness Christmas Lights to the former Longman Salt Store at a cost of £9,668.

2. Introduction

2.1 This report is produced in support of the Council's corporate governance process. The purpose of the report is to advise members of the anticipated financial position against the agreed budget at the end of financial year 2017/18. **Appendices 1 and 2** show both core and project income and expenditure to 31 July 2017, the predicted year end outturn and the predicted variance.

2.2 **Appendix 3** provides members with more detail on the Events Management Budget.

3. Overview

3.1 The report presented today reflects the additional funding approved at the last meeting. **Appendix 1** shows core revenue expenditure for the year of £2.205m to be met by revenue income of £2.321m (including a transfer from Reserves of £0.259m), which would deliver a revenue surplus of £0.116m for commitment to Projects.

At this early stage in the financial year core spend is expected to be underspent by £0.085m due to increased income from an unanticipated premium received on a renegotiated rental agreement.

3.2 **Appendix 2** shows Project spend of £1.515m, to be funded from the Revenue Surplus as outlined in 3.1, with the remaining monies to come from Reserves. A slight overspend of £0.035m is currently expected on project spend, as a result of retention monies not paid over in 2016/17 on the 1–5 Church Street project.

- 3.3 The combined outturn position is a net underspend of £0.050m.
- 3.4 Members are asked to homologate the following expenditure from the Inverness Common Good Fund City Promotions Budget;

1. **Market Brae Steps** – Community Services had been storing at Diriebught yard the steel gateway overhead sign that had been made for the lower section of the Market Brae steps for the past 16 years. The previous wooden sign had been removed because it had decayed to the extent it was a risk to the public. The new sign had not been installed at that time because one of the owners of an adjoining building had objected. The reason for this objection is not known. Community Services now require additional space at their Diriebught yard to accommodate staff moving there from their Harbour Road depot. Consequently, they approached the City Manager in May seeking to either install the sign or dispose of it. Following consultation with Inverness Central Ward Members it was agreed to proceed with installing the sign. The installation was done in the first week of August at a cost of £1,200. The Cost being met from the existing City Promotions Budget.
2. **Deep Clean – Pilot – Lombard, Drummond and Baron Taylors Streets** - The Provost and Central Ward Members Cllrs met proprietors of Inverness Mobile Phone Centre; Maggie and Suzie; Buonissimo; and Inverness BID, who are supporting the initiative. Initially the Council supported by the Common Good Fund, invested in a two week long deep clean of Baron Taylors Street, Lombard Street and Drummond Street which included the use of power washers and removal of chewing gum wherever possible and painting the Vennel between Lombard Street and High Street. Businesses are being urged to maintain and clean their own shop fronts and immediate areas on an ongoing basis. The costs incurred were;
 - Street Cleaning Baron Taylors, Lombard and Drummond Streets £5,718,
 - Cleaning Lombard Arcade is £568,
 - The Common Good Fund share of painting Lombard Arcade in matching colours is £1,450.

The total cost to the Common Good Fund is **£7,736** and will be met from the existing City Promotions budget. **Members are requested to homologate this decision.**

4. **Christmas Light Storage**

Community Services have been storing at Diriebught and Harbour Road yards the Inverness Common Good Fund Christmas lights that are put up around the city each year. Community Services now require additional space at their Diriebught yard to accommodate staff moving there from their Harbour Road depot. They propose purchasing a further 2 steel containers, in addition to the 8 they currently have, in which to store the lights securely and locate those containers in a Council compound at the former Longman Salt Store (CGF owned).

The costs are:

- i. purchase of 2 containers is £3,850;
- ii. transfer of lights and containers to Longman is £818 (total = £4,668);
- iii. site preparation and improved CCTV at Longman is £5,000; and
- iv. there will be no ongoing revenue rent costs.

The total cost would be **£9,668** and as for 3.4 would be met from the existing City Promotions budget. **The recommendation is to agree this proposal.**

5. **Implications**

- 5.1 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.

Designation: Inverness City Area Manager

Date: 21 August 2017

Author: David Haas, Inverness City Area Manager
Victoria MacDonald, Accountant

Background Papers:

APPENDIX 1

MONITORING STATEMENT 2017/18

INVERNESS COMMON GOOD FUND CORE SPEND

FOR PERIOD ENDING 31 JULY 2017/18

	ACTUAL YEAR TO DATE £	ANNUAL BUDGET £	ESTIMATED OUTTURN £	ESTIMATED VARIANCE £
EXPENDITURE				
Victorian Market	60	198	198	-
Town House Maintenance	50	100	100	-
1-5 Church Street Maintenance	7	20	20	-
Other Properties	9	110	110	-
Civic and Conference Hospitality	23	132	132	-
Ness Islands & Bank Maintenance	-	35	35	-
Festive Lights	-	65	65	-
Town Twinning	-	9	9	-
Winter Payments	-	105	105	-
Inverness Common Good Fund Grants	156	569	569	-
Conference Support	-	59	59	-
City Promotions	5	34	34	-
Disabled Go Project (2013-18)	8	8	8	-
Castle Wynd Conveniences	4	23	23	-
Partnership Working	52	109	109	-
Events & Festivals	57	320	320	-
CCTV	-	90	90	-
Property Management Fees	-	124	124	-
Central Support Charge	-	60	60	-
Other Charges	-	14	14	-
Town House Other Costs	-	11	11	-
Inverness Steeple	-	10	10	-
TOTAL EXPENDITURE	431	2,205	2,205	-
FUNDED BY:				
Rents				
Industrial Estates	604	1,471	1,471	-
Industrial Estates - premium	85	-	85	(85)
Victorian Market	88	247	247	-
Town House	258	258	258	-
1-5 Church Street	42	75	75	-
Other Properties	11	10	10	-
Other Income				
Contribution to Grants from Reserves	-	240	240	-
Contribution to Conference Support from Reserves	-	19	19	-
Interest on Revenue Balances	-	1	1	-
TOTAL FUNDING	1,088	2,321	2,406	(85)
AVAILABLE TO FUND PROJECT SPEND	657	116	201	(85)

**INVERNESS COMMON GOOD FUND PROJECT
SPEND**

FOR PERIOD ENDING 31 JULY 2017/18

	ACTUAL YEAR TO DATE £	ANNUAL BUDGET £	ESTIMATED OUTTURN £	ESTIMATED VARIANCE £
PROJECT SPEND				
Town House Refurbishment	306	690	690	-
Town House - Internal Works	-	350	350	-
Refurbishment 1-5 Church Street	33	-	35	35
Ness Islands - Structural Maintenance Programme	-	298	298	-
Inverness City Arts Project	-	27	27	-
Victorian Market - Opportunities for Improvement	-	150	150	-
TOTAL	339	1,515	1,550	35
FUNDS AVAILABLE FOR PROJECT SPEND	657	116	201	(85)
BALANCE TO BE FUNDED BY RESERVES	318	(1,399)	(1,349)	50

Events and Festivals Budget Monitoring**APPENDIX 3****For Period Ending 31 July 2017**

	ACTUAL YEAR TO DATE
	£
Income	
Grants	(6,000)
Income	(24,543)
	<hr/>
	(30,543)
Expenditure	
Council Staff	-
Entertainers	15,321
Equipment	32,678
Event Office	13,976
Licences	-
Marketing	17,764
Security and First Aid	7,854
	<hr/>
	87,593
Net Total	<hr/> 57,050