

Agenda Item	12a
Report No	RC/6/18

HIGHLAND COUNCIL

Committee: **Ross and Cromarty Committee**

Date: **31 January 2018**

Report Title: **Cromarty Common Good Fund –
Quarter 3 Monitoring Report and Budget 2018/19**

Report By: **Carron McDiarmid, Head of Policy and Reform/Ward
Management
Derek Yule, Depute Chief Executive/Director of Corporate
Resources**

1. Purpose/Executive Summary

- 1.1 This report presents the monitoring statement for third quarter for Cromarty Common Good Fund and puts forward a proposed budget for 2018/19. Members are asked to scrutinise and note the report and to approve the proposed budget for 2018/19.

2. Recommendations

- 2.1 Members are asked to:
- i. Scrutinise and note the Quarter 3 monitoring statement for the Cromarty Common Good Fund.
 - ii. Consider and approve the proposed budget for 2018/19 for the said Fund.

3. **Quarter 3 monitoring statement**

- 3.1 A monitoring statement showing transactions against budget to the end of December 2017 is attached at **Appendix 1**.
- 3.2 **Income** – Rental income is that from Victoria Hall, Cromarty and East Church Hall, Cromarty which are leased to the Highland Council and rented to Highlife Highland. The total rental for 2017/18 is £4,840 which will show in Quarter 4 monitoring statement along with income from interest for the year.
- 3.3 **Expenditure** to date relates to property costs, grants and donations and the Cromarty Common Good Fund's proportion of the cost of the Common Good Fund Officer post.

4. **Proposed budget for 2018/19**

- 4.1 The proposed budget for 2018/19 is attached at **Appendix 2** for Members to consider.
- 4.2 **Rental Income** – Rental income for Cromarty Common Good Fund is derived from £2,420 for Victoria Hall and £2,420 for East Church Hall. These are both leased to Highland Council and rented by Highlife Highland. The total anticipated income from these properties for 2018/19 is £4,840.
- 4.2 **Interest on Revenue Balances** – Assuming that the current interest rates continue, it is anticipated that interest receivable on projected surplus balances will be approximately £100 in 2018/19.

5. **Anticipated Expenditure**

- 5.1 **Property Costs** – This relates to insurance and property costs have tended to be low as properties are leased on a full repairing and insuring basis. A sum of £459 is budgeted for rental costs for Townlands Park Play Area, Cromarty.
- 5.2 It is suggested that a revenue property budget of £2,459 be set for 2018/19 for contributions towards property costs. Capital projects for the development or protection of Common Good assets would require separate consideration which would be brought to Committee at a future date. However, at this stage it is recommended that expenditure be kept at a minimum to build reserves for any future projects.
- 5.3 **Central Support** – Expenditure in this regard relates support from Finance and a proportion of the costs of the Common Good Fund Officer post. It is proposed that a sum of £400 is budgeted to cover these costs.
- 5.4 **Grants and Contributions** – In order to protect reserves and the likely future requirement for protection or development of Common Good assets, it is proposed that a budget of £1,000 be made available for small grants to community groups.
- 5.5 The proposed budget will result in a surplus of £1,081. Total available reserves as at 31 March 2017 are £25,411.

6. Implications

- 6.1 **Resource** – Members will note a surplus is anticipated at the end of 2017/18. This is as a result of partnership working. Expenditure is kept to a minimum in order to build reserves for the future for possible capital projects. Any future capital projects will be brought to Committee for consideration.
- 6.2 **Legal** - None
- 6.3 **Community (Equality, Poverty and Rural)** – It is proposed that a budget be available to allow for small grants to be made to community groups. Any future major project for the protection or improvement of assets would seek to improve equality of access.
- 6.4 **Climate Change / Carbon Clever** – None. Any future project for the protection or improvement of assets would seek to protect the environment and increase energy efficiency where possible.
- 6.5 **Risk** – None.
- 6.6 **Gaelic** - None

Designation: Carron McDiarmid, Head of Policy and Reform
Derek Yule, Depute Chief Executive/Director of Corporate Resources

Date: 22 January 2018

Authors: Diane Agnew, Ward Manager, Dingwall, Seaforth and Black Isle
Steven Wright, Trainee Accountant

APPENDIX 1

**Cromarty Common Good - Quarterly
Monitoring
Period to 31 December 2017**

	Actual to date £	Budget £	Year End Estimate £	Variance £
INCOME				
Rents	-	4,840	4,840	0
Interest and investment income	-	100	100	0
TOTAL INCOME	-	4,940	4,940	0
EXPENDITURE				
Staff Costs - CGF Officer	147	0	294	294
Grants and contributions	200	1,000	1,000	0
Property costs	917	2,459	2,459	0
Central Support	-	100	100	0
TOTAL EXPENDITURE	<u>1,264</u>	<u>3,559</u>	<u>3,853</u>	<u>294</u>
Income less Expenditure	<u>(1,264)</u>	<u>1,381</u>	<u>1,087</u>	<u>294</u>

APPENDIX 2

CROMARTY COMMON GOOD FUND PROPOSED BUDGET 2018/19

	2018/19 £	2017/18 £
INCOME		
Rents	4,840	4,840
Interest and investment income	100	100
Total income	4,940	4,940
EXPENDITURE		
Property costs	2,459	2,459
Grants and contributions	1,000	1,000
Central Support	400	100
Total expenditure	3,859	3,559
Surplus/(deficit) for year	1,081	1,381