

Agenda Item	12b
Report No	RC/7/18

HIGHLAND COUNCIL

Committee: **Ross and Cromarty Committee**

Date: **31 January 2018**

Report Title: **Dingwall Common Good Fund –
Monitoring Report Third Quarter 2017/18 and Budget 2018/19**

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

1. Purpose/Executive Summary

- 1.1 This report presents the monitoring statement for third quarter 2017/18 for Dingwall 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 Dingwall Common Good Fund.
 - ii. Consider and approve the proposed budget for 2018/19 for the Dingwall Common Good 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** received from rental properties to date is £9,375. This is as expected. Income from interest will be credited in Quarter 4.
- 3.3 **Expenditure** to date relates to property costs, grants and donations and the Dingwall Common Good Fund's proportion of the cost of the Common Good Fund Officer post.
- 3.4 The budget position at **Appendix 1** reflects the increased funding for the Pefferside Park works as agreed at the Ross and Cromarty Committee meeting on 15 August 2017. The planned works have yet to commence due to contractor and weather delays. It is unlikely that the path improvement works will begin before the end of the current financial year therefore it is proposed to carry forward this commitment to the 2018/19 financial year. This is reflected in **Appendix 1 and 2**.
- 3.5 The estimated outturn position is a surplus of £8,219 which represents a positive variance against budget of £24,119 which is made up of delayed expenditure of £25,000 and an unbudgeted expenditure of £881 which is the Fund's proportion of the costs of the Common Good Fund Officer.

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 **Anticipated Rental Income** – Rental income for Dingwall Common Good Fund is derived from £13,200 from Highlife Highland for rental of Dingwall Town Hall and £12,500 (rising to £15,000 from within early part of financial year 2018/19) from the Camping and Caravanning Club. The total anticipated income from these properties for 2018/19 is £28,200.
- 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 £700 in 2018/19.

5. Anticipated Expenditure

- 5.1 **Property Costs** – This relates to insurance and property costs which have tended to be low as the properties are leased on a full repairing and insuring basis.
- 5.2 It is suggested that a revenue property budget of £2,000 be set for 2018/19 to cover urgent repairs/works. Capital projects for development or protection of assets would require separate consideration and an appropriate funding package which would be brought to future Committee for consideration.
- 5.3 **Central Support** – Expenditure in this regard relates to support from Finance and a proportion of the costs of the Common Good Fund Officer post. It is proposed that a sum of £1,200 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. It is proposed also that £27,000 be budgeted for projects with this being split between the £25,000 previously approved for the path improvement works mentioned above and £2,000 relating to safeguarding or improving Common Good assets.
- 5.5 The proposed budget will result in a deficit of £2,300. Total useable reserves as at 31 March 2017 were £200,172.

6. Implications

- 6.1 **Resource** – Members will note a surplus is anticipated at the end of 2017/18 as a result of delays to planned expenditure. Routine expenditure is being kept to a minimum in order to build reserves for possible future capital projects. Any such 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

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

APPENDIX 1

Dingwall Common Good - Quarterly Monitoring Period to 31 December 2017

	Actual to date £	Budget £	Year End Estimate £	Variance £
INCOME				
Rents	9,375	25,700	25,700	0
Interest and investment income	0	600	600	0
TOTAL INCOME	9,375	26,300	26,300	0
EXPENDITURE				
Staff Costs - CGF Officer	440	0	881	881
Property costs	215	2,000	2,000	0
Grants	0	10,000	10,000	0
Special Grants and Contributions	2,800	30,000	5,000	(25,000)
Central Support	0	200	200	0
TOTAL EXPENDITURE	3,455	42,200	18,081	(24,119)
Income less Expenditure	<u>5,920</u>	<u>(15,900)</u>	<u>8,219</u>	<u>24,119</u>

APPENDIX 2

DINGWALL COMMON GOOD FUND PROPOSED BUDGET 2018/19

	2018/19 £	2017/18 £
INCOME		
Rents	28,200	25,700
Interest and investment income	700	600
Total income	<u>28,900</u>	<u>26,300</u>
EXPENDITURE		
Central Support	1,200	200
Property costs	2,000	2,000
Grants	1,000	10,000
Special Grants and Contributions	27,000	30,000
TOTAL EXPENDITURE	<u>31,200</u>	<u>42,200</u>
Surplus/(deficit) for year	<u><u>-2,300</u></u>	<u><u>-15,900</u></u>