

The Highland Council

Ross and Cromarty Committee – 3 February 2016

Agenda Item	11a
Report No	RC/008/16

Cromarty Common Good – Quarter 3 Monitoring and Budget Setting 2016/17

Joint Report by the Head of Policy and Reform and the Director of Finance

Summary

This report invites Members to scrutinise and note the Cromarty Common Good Fund (CCGF) Quarter 3 monitoring report for 2015/16, and invites Members to approve a budget for the financial year 2016/17.

1. Quarter 3 Monitoring Report

- 1.1 A monitoring statement showing spend against budget to the end of December 2015 is attached at **Appendix I**. An improved final outturn of £190 is expected due to increased income from backdated rental increases, and tree works not carried out at East Hall. This will be partially offset by a grant payment to be made for a resilience project at Victoria Hall.

2. Income

- 2.1 Income comprises of rental from the Victoria Hall and the East Church Hall, along with rental increases backdated to 1 April 2014.

3. Expenditure

- 3.1 Spend to date relates to the annual rental of Townlands Park Play Area which has increased due to rent review, and grant payments made to local community groups.

4. Proposed Budget for 2016/17

- 4.1 A proposed budget is attached at **Appendix II** for 2016/17 for the Committee to consider.

5. Anticipated Revenue for 2016/17

- 5.1 **Rental Income** – The rental income is that from Victoria Hall and East Church Hall which are leased to the Highland Council and rented by Highlife Highland. The rent due for 2016/17 is £4,840.
- 5.2 **Interest and Revenue Balances** – Assuming that the current low interest rates continue, it is anticipated that interest receivable on projected surplus balances will be approximately £100 in 2016/17.

6. Anticipated Expenditure

- 6.1 The main revenue budget headings can be summarised as follows:
- 6.2 **Property Costs** - Property costs have tended to be low as properties are leased to the Highland Council and rented to Highlife Highland. A sum of £459 is budgeted for rental costs for Townlands Park Play Area Cromarty.
- 6.3 In addition it is suggested that a revenue property budget of £2,000 be set aside for essential 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.
- 6.4 **Administration and Insurance costs** - These are minimal and a roll forward budget of £100 is proposed to cover additional support costs in relation to quarterly monitoring information being provided by Finance.
- 6.5 **Grants to the Community** - It is proposed that a budget of £1,000 be made available for small grants to community groups.

7. Implications

- 7.1 **Equalities Policy** - Any future major project for protection or refurbishment would seek to improve equality of access.
- 7.2 **Climate Change** – Any future project for protection or refurbishment would seek to increase energy efficiency where possible. There are no other climate change implications in the report.
- 7.3 **Legal and Financial Implications** – the application of funds will fall within the competency guidelines set out both in statute and in common law in relation to Common Good Funds. Additionally, through the governance being implied by the Finance Service, funds will remain compliant with all financial regulations. The proposed budget will result in a surplus of £1,381 for year.
- 7.4 There are no Carbon Clever, Rural Risk or Gaelic implications in the report.

Recommendation

The Committee is invited to scrutinise and note the Quarter 3 Monitoring Statement as attached in **Appendix I** and approve the Cromarty Common Good Fund budget for 2016/17 shown in **Appendix II**.

Designation: Carron McDiarmid, Head of Policy and Reform
Derek Yule, Director of Finance

Date: 25 January 2016

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**Cromarty Common Good –
Quarterly Monitoring (Q3)**

**Period to 31 December
2015**

	Actual to date £	Budget £	Expected Outturn £	Variance £
Income				
Rents	5,280	4,400	5,280	880
Interest and investment income	0	100	100	0
Total Income	5,280	4,500	5,380	880
Expenditure				
Grants and Donations	620	1,000	4,400	3,400
Property costs	690	5,333	690	(4,643)
Central support	0	100	100	0
Total Expenditure	1,310	6,433	5,190	(1,243)
 Income less Expenditure	 3,970	 (1,933)	 190	 2,123

Appendix II

Cromarty Common Good Fund Proposed Budget 2016/17

£

Income

Rents	4,840
Interest and investment income	<u>100</u>
Total income	<u>4,940</u>

Expenditure

Property costs	2,459
Grants	1,000
Administration charges	<u>100</u>
Total expenditure	<u>3,559</u>

Surplus/(deficit) for year

1,381