

Agenda item	<b>14d</b>
Report no	<b>RC/032/18</b>

## **THE HIGHLAND COUNCIL**

**Committee:** Ross and Cromarty

**Date:** 15 August 2018

**Report Title:** **Invergordon Common Good Quarter 1 Monitoring Report**

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

### **1. Purpose/Executive Summary**

**1.1** This report provides information on income and expenditure in relation to the Invergordon Common Good Fund for the period April – June 2018.

### **2. Recommendation**

**2.1** Members are asked to:

- i. Consider and scrutinise the position of the Cromarty Common Good Fund, as shown in the Quarter One Monitoring Statement against budget.

### **3. Quarter 1 Monitoring Statement**

- 3.1 A monitoring statement showing transactions to the end of June 2018 against budget and estimated year end position is attached at Appendix One.
- 3.2 No income has yet been received. The Town Hall is rented to High Life Highland at a rent of £3,300 for 2018/19. This will be received later in the financial year.
- 3.3. No expenditure has yet been incurred. There will be costs attributable to time spent by the Common Good Officer to clarify and properly record all heritable items held by the Common Good fund. This work is required to ensure compliance with the Community Empowerment Act as it relates to the Common Good Funds. Local Members have been kept up to date with progress of this work.
- 3.4 The property budget set is for minor, essential repairs only. The Town Hall building does require significant refurbishment, however Members will be aware that a number of funding sources have been explored but these have not been successful. To explore all options a report was commissioned through High Life Highland under 'Project Inspire' which is funded by the Scottish Government and European Social Fund.
- 3.5 This report concluded that 'given the lack of obvious fit with a local community organisation or user group we recommend that consideration is given to putting the building on the open market with a view to finding a new owner or occupant'. Local Members are supportive of exploring this.
- 3.6 Property Services are taking this forward and have obtained pre planning advice which would be of interest to any prospective purchaser. A letter will be sent to all user groups prior to actual marketing so that all users are fully aware of the position. Clearly if a potential buyer is identified the view of the Area Committee would be sought and sale would require Highland Council approval. All user groups would also be offered support to find alternative premises with one of the other community groups within the town.

### **4. Implications**

- 4.1 Resource – Members will note a surplus of £1,500 is anticipated at the end of 2018/19. As the required refurbishment work referred to in paragraph 3.4 cannot be accommodated within existing resources building up the level of reserves may help support grant applications and lever in external funding. The Usable Reserves stood at £71,568 as at 31 March 2018 (this figure is unaudited up from £69,523 as at 31 March 2017).

Legal - 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.

Community, Equality, Poverty - No implications at present but should a potential buyer be found there will be implications for all user groups. However the current position is not sustainable in the long term and if a buyer is found all user groups will be supported to try and find suitable alternative premises locally.

Risk – There is a risk that existing user groups will seek alternative premises straight away and income could therefore be lost before any alternative way forward is found. However as noted above the status quo is not sustainable in the longer term and it would not be appropriate to market without letting those currently using the building to know.

Rural, Climate Change/Carbon Clever, Gaelic - none

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

Date: 30 July 2018

Authors: Helen Ross, Senior Ward Manager, CSER  
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Background Papers:

Project Inspire – Invergordon Former Town Hall IV18 0DG 12.2.28

## Appendix 1

**Invergordon Common Good -  
Quarterly Monitoring  
Period to 28 June 2018**

	<b>Actual to date £</b>	<b>Budget £</b>	<b>Estimated Outturn £</b>	<b>Variance £</b>
<b>Income</b>				
Rents	0	3,300	3,300	0
Interest and investment income	0	300	300	0
<b>Total Income</b>	<u>0</u>	<u>3,600</u>	<u>3,600</u>	<u>0</u>
<b>Expenditure</b>				
Staff Costs	0	1,000	1,000	0
Property costs	0	1,000	1,000	0
Admin charges	0	100	100	0
<b>Total Expenditure</b>	<u>0</u>	<u>2,100</u>	<u>2,100</u>	<u>0</u>
<b>Income less Expenditure</b>	<u><u>0</u></u>	<u><u>1,500</u></u>	<u><u>1,500</u></u>	<u><u>0</u></u>