

Agenda item	13a
Report no	RC/009/19

THE HIGHLAND COUNCIL

Committee: Ross and Cromarty

Date: 30 January 2019

Report Title: Cromarty Common Good Fund –
Quarter 3 monitoring report 2018/19 and Budget 2019/20

Report By: Derek Yule, Depute Chief Executive and Director of
Corporate Resources
Alison Clark, Acting Head of Policy

1. Purpose/Executive Summary

- 1.1 This report presents the Quarter 3 monitoring statement for the Cromarty Common Good Fund and puts forward a proposed budget for 2019/20.

2. Recommendation

- 2.1 This report asks Members to scrutinise and note the Quarter 3 monitoring statement for the Cromarty Common Good Fund and to consider and approve the proposed 2019/20 budget for the Fund.

3. Quarter 3 Monitoring Statement

- 3.1 A monitoring statement showing transactions to the end of December 2018 against budget and estimated year end position is attached at **Appendix 1**.
- 3.2 **Income** – Rental income is that from Victoria Hall and East Church Hall, which are leased to The Highland Council and rented to High Life Highland. The total rental for 2018/19 is £4,840 which has been received in full. Interest income on revenue balances held will be credited prior to the end of the financial year.
- 3.3 **Expenditure** to date relates to property costs, grants and donations and the Common Good Fund's proportion of the cost of the Common Good Fund Officer post.
- 3.4 Overall it is anticipated income and expenditure will be on budget and that the Fund will return a surplus of £1,081 for this financial year.

4. Proposed Budget for 2019/20

- 4.1 A proposed budget for 2019/20 is set out in **Appendix 2** of the report for the Committee to consider.
- 4.2 **Rental Income**
The income to the Cromarty Common Good Fund is derived from Victoria Hall and East Church Hall. These properties are leased to The Highland Council and rented to High Life Highland (rent review is due in April 2019). Pending rent reviews, it is proposed for the budget to remain at £4,840.
- 4.3 **Interest on Revenue Balances** – Assuming that the current low interest rates continue, it is anticipated that interest receivable on projected surplus balances will remain at approximately £100 in 2019/20.
- 4.4 **Anticipated Expenditure**
- 4.5 **Property Costs**
It is suggested that a revenue property budget of £1,519 be set for 2019/20 for contributions towards property costs. This includes a sum of £519 budgeted for rental costs for Townlands Park Play Area, Cromarty.
- 4.6 **Central Support**
Expenditure in this regard relates support from Corporate Resources 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.
- 4.7 **Grants to the Community**
In order to protect reserves and the likely future requirement for protection or development of Common Good assets, it is proposed a budget of £1,000 be made available for small grants to community groups.

5. Implications

5.1 There are no equalities, Carbon Clever/Climate Change, Rural, Risk or Gaelic implications in the report.

5.2 **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 anticipated out turn for 2018/19 will result in an estimated surplus of £2,021. This will increase the balance on revenue reserves which stood at £28,879 at the end of March 2018.

5.3 **Community (Equality, Poverty and Rural)** - It is proposed that a budget be available to allow 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.

Designation: Derek Yule, Depute Chief Executive and Director of Corporate Resources
Alison Clark, Acting Head of Policy

Date: 18 January 2019
Authors: Diane Agnew, Ward Manager
Steven Wright, Trainee Accountant

Appendix 1

Cromarty Common Good - Quarterly Monitoring Period to 31 December 2018

	Actual to date £	Budget £	Year End Estimate £	Variance £
INCOME				
Rents	4,840	4,840	4,840	0
Interest and investment income	-	100	100	0
TOTAL INCOME	<u>4,840</u>	<u>4,940</u>	<u>4,940</u>	<u>0</u>
EXPENDITURE				
Staff Costs - CGF Officer	33	300	300	0
Grants and Donations	490	1,000	1,000	0
Property costs	519	2,459	2,459	0
Central support	-	100	100	0
TOTAL EXPENDITURE	<u>1,042</u>	<u>3,859</u>	<u>3,859</u>	<u>-</u>
 Income less Expenditure	 <u><u>3,798</u></u>	 <u><u>1,081</u></u>	 <u><u>1,081</u></u>	 <u><u>0</u></u>

Appendix 2

CROMARTY COMMON GOOD FUND PROPOSED BUDGET 2019/20

	2019/20 £	2018/19 £
INCOME		
Rents	4,840	4,840
Interest and investment income	100	100
TOTAL INCOME	<u>4,940</u>	<u>4,940</u>
EXPENDITURE		
Property costs	1,519	2,459
Grants	1000	1000
Central Support	400	400
TOTAL EXPENDITURE	<u>2,919</u>	<u>3,859</u>
Surplus/(deficit) for year	<u><u>2,021</u></u>	<u><u>1,081</u></u>