

Agenda Item	12d
Report No	RC/034/19

HIGHLAND COUNCIL

Committee: Ross and Cromarty Committee

Date: 14 August 2019

Report Title: Invergordon Common Good Quarter 1 Monitoring Report

Report By: Acting Head of Policy

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 2019.

2. Implications

2.1 Resource – the resource implications are noted in the report

2.2 Legal – the report outlines the community interest in the purchase of the Invergordon Town Hall but also highlights the legal processes this would require under the Community Empowerment (Scotland) 2015 Act and the inalienable nature of the Invergordon Town Hall.

2.3 Community (Equality, Poverty and Rural) – The report outlines the intention of a newly formed community group to take on this Town Hall. This is already increasing the involvement of the local community.

2.4 Risk - none

2.5 Climate Change / Carbon Clever - none

2.6 Gaelic – none

3. Recommendations

3.1 Members are asked to scrutinise and note the report.

4. Quarter 1 Monitoring Statement

- 4.1 A monitoring statement showing transactions to the end of June 2019 against budget and estimated year end position is attached at Appendix One.
- 4.2 No income has yet been received. When the budget was set the rent for the Town Hall was £3,300 based on the last 5 yearly rent evaluation. This has been reviewed and from April 2019 the rent has been set at £3,500. There will therefore be an additional £200 of income once this is paid by HLH which leases the building.
- 4.3 No expenditure has yet been incurred. However, there will be some costs attributable to time spent by the Common Good Officer in relation to the Community Empowerment Act as it relates to the Common Good Funds. A valuation of the Town Hall has also been requested. There will be a charge for this valuation and the estimated out turn has been amended to reflect this.

5. The Future of the Town Hall

- 5.1 Members will recall that early in 2019 a public consultation was held under the terms of the Community Empowerment (Scotland) Act 2015 to explore options including disposal of the Town Hall by sale or a long lease. After considering the responses received it was agreed at the Ross and Cromarty Committee meeting in May 2019 that further action be halted to allow the newly formed Invergordon Development Trust (IDT) time to develop a proposal. It was agreed that regular updates on progress would be included within quarterly monitoring reports on the Common Good to enable review and consideration of next steps.
- 5.2 The IDT has now established itself as a Scottish Charitable Incorporated Organisation (SCIO). It has held a number of local fund-raising events and has set up a regular community market. It also has a funded Development Officer supporting it. The group remains determined to take on the Town Hall in order to run it as a successful community facility. They have also indicated that they wish to buy the Hall at its market value and will apply for funds from the Scottish Land Fund to enable it to do so.
- 5.3 It is difficult at this early stage to develop a clear time line for the process, but the IDT has made a Stage 1 application to the Scottish Land Fund. They should hear the outcome in early August 2019 and if that is successful they will continue to the Stage 2 application for the next round in January 2020. They may or may not choose to make a Community Asset Transfer request, though if they are not asking for any discount on the Town Hall this may not be essential.
- 5.4 A proposal to sell the Town Hall would be brought first to the Ross and Cromarty Committee for a recommendation but a final decision to dispose would require to be taken by Highland Council. A second public consultation would also be required on any proposal under the terms of the Community Empowerment Act. Members should also be aware that, as the Town Hall may be an inalienable Common Good asset, an application would have to be made to the Sheriff Court for permission to sell. 'Inalienable' means that there is a restriction regarding the property or its purpose is clearly stated in the deed or gift to the Common Good Fund, for example that it has

been specifically dedicated for public use or it has to be used in a certain beneficial way for a lengthy period of time (time immemorial). There is no clear evidence that the Town Hall is inalienable but its use as a town hall means that it could be considered to be so. It is therefore our intention to treat the property as inalienable and follow the proper processes. This would be the last step in the process and the information included in the IDT's Scottish Land Fund applications and from the Public Consultation should provide all the information required.

Designation: Alison Clark, Acting Head of Policy

Date: 23 July 2019

Author: Helen Ross, (Senior Ward Manager, CSER)

Background Papers:

Appendix One

Invergordon Common Good - Quarterly Monitoring Period to 30 June 2019

	Actual to date £	Budge t £	Estimate d Outturn £	Varianc e £
Income				
Rents	0	3,300	3,500	200
Interest and investment income	0	300	300	0
Total Income	<u>0</u>	<u>3,600</u>	<u>3,800</u>	<u>200</u>
Expenditure				
Staff Costs	0	1,000	1,000	0
Property costs	0	1,000	1,500	500
Admin charges	0	100	100	0
Total Expenditure	<u>0</u>	<u>2,100</u>	<u>2,600</u>	<u>500</u>
Income less Expenditure	<u><u>0</u></u>	<u><u>1,500</u></u>	<u><u>1,200</u></u>	<u><u>300</u></u>