

Agenda Item	<b>3.</b>
Report No	<b>SCC/13/19</b>

## HIGHLAND COUNCIL

**Committee:** Sutherland County Committee

**Date:** 22 August 2019

**Report Title:** Dornoch Common Good Quarterly Monitoring report

**Report By:** Acting Head of Policy

### 1. Purpose/Executive Summary

- 1.1 This report provides a financial monitoring report for the first quarter of Financial Year 2019/20 and provides an update on current Dornoch Common Good issues.

### 2. Recommendations

- 2.1 Members are asked to:
- i. note the position of Dornoch Common Good fund at the end of the first quarter
  - ii. agree that the Council runs a community consultation on the potential disposal of Dornoch Common Good land by way of 99 year lease to Royal Dornoch Golf Club
  - iii. note the update on current Dornoch Common Good issues

### 3. Implications

- 3.1 Resource - An overspend against Miscellaneous costs is anticipated and will be managed by limiting miscellaneous expenditure and through underspend against other budget lines. Any overspend at year end is affordable within current fund balances.
- 3.2 Community - A community consultation is proposed to gather views on the potential disposal of Dornoch Common Good land.
- 3.3 There are no Legal, Climate Change, Risk or Gaelic implications.

#### **4. Monitoring Report Q1 2019/20**

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 Income**

- Rental income was received in Q1 from Dornoch Caravan Park and for the site for the Hangar at Dornoch Airfield.
- The rent review valuation by the District Valuer for the Scottish Water pumping station and sewage works has been disputed by Scottish Water. This has now gone to independent arbitration. Members will be updated in due course.

#### **4.3 Expenditure**

- Expenditure to date has been limited: the main item being the £5,976 for the installation of wooden bollards at Dornoch Beach to control parking. This one-off expenditure will lead to an overspend against the budget line, which will be managed by limiting miscellaneous expenditure in the current financial year, and by seeking an underspend against other budget lines. The overspend is affordable within current fund levels.
- No grants were made to community and voluntary groups in Q1, although members are reminded there is an outstanding commitment (as agreed at Sutherland County Committee on 15 November 2018) to contribute £10,000 in the current financial year only to Dornoch Area Community Interest Company for the Development Manager post, and a commitment to contribute £2,580 to Dornoch Community Council for the operation of the Dornoch Beach toilets.

### **5 Lease for Royal Dornoch Golf Club**

- 5.1 The Council has been in discussions with Royal Dornoch Golf Club (RDGC) regarding a new lease to facilitate the construction of a new clubhouse. Provisional agreement has been reached between the Council and RDGC for a new 99 year lease, subject to:
- 8 week community consultation (in line with the Community Empowerment Act),
  - Sherriff Court agreement for disposal of inalienable Common Good land,
  - the agreement of full Council.

Members are asked to note that they are required to take account of, but are not bound by, the outcome of the community consultation.

- 5.2 The Scheme of Delegation delegates management of Common Good assets to Area Committees, including the decision whether to carry out a community consultation on a proposed Common Good property transaction.

Members are asked to agree that Council runs an 8 week public consultation on the proposed disposal by way of 99 year lease to RDGC

The findings of that consultation will be reported to the next Sutherland County Committee and Members will be asked to make a recommendation for a decision on the lease at full Council, on the basis that it forms more than 10% of the Dornoch Common Good Fund value.

## **6. Current Common Good Issues**

- 6.1 There is an ongoing statutory 8-week community consultation over the proposed extension of the area of Common Good land at Dornoch Beach leased to East Sutherland Rescue Association for the extension of the lifeboat station. The proposed extended lease would last for 99 years. The consultation will close on 11 September 2019, following which Members will be invited to consider the consultation returns and whether to grant the extended lease.
- 6.2 There are ongoing discussions with Historylinks Museum regarding the possible purchase of the Common Good land on which Historylinks Museum is built. To date no offer has been received, but Members will be kept updated on any developments

Designation: Acting Head of Policy

Date: 15 August 2019

Author: Phil Tomalin

Appendix 1: Quarterly Monitoring

## APPENDIX ONE

### Dornoch Common Good - Quarterly Monitoring Period to 30 June 2019

<b>INCOME</b>	<b>Actual to date £</b>	<b>Budget £</b>	<b>Estimated Outturn £</b>	<b>Variance £</b>
Rents	18,380	42,080	42,080	-
Interest and investment income	-	1,000	1,000	-
<b>TOTAL INCOME</b>	18,380	43,080	43,080	-
<b>EXPENDITURE</b>				
Staff Costs	-	1,500	1,500	-
Grants & contributions	-	25,000	25,000	-
Miscellaneous Costs	6,172	5,500	11,500	6,000
<b>TOTAL EXPENDITURE</b>	6,172	32,000	38,000	6,000
<b>Income less Expenditure</b>	<u>12,208</u>	<u>11,080</u>	<u>5,080</u>	<u>(6,000)</u>