

Agenda Item	11g
Report No	CIA/47/19

THE HIGHLAND COUNCIL

Committee: City of Inverness Area Committee

Date: 29 August 2019

Report Title: Inverness Common Good Fund
Financial Monitoring and Capital Project Report

Report By: Inverness City Area Manager

1. Purpose/Executive Summary

- 1.1 This report presents the expenditure monitoring position for the Inverness Common Good Fund as at 31 July 2019 and the projected year end position; and
- 1.2 Details the current status of capital projects.

2. Recommendations

- 2.1 Members are asked to:
 - i. Members are asked to consider the financial monitoring report to 31 July 2019; and note that overall expenditure is within agreed budgets
 - ii. Scrutinise the current status of capital projects

3. Implications

- 3.1 Resource - The report details the financial resource implications. There are no other resource implications.
- 3.2 Legal - None
- 3.3 Community (Equality, Poverty, Rural and Island) – None

3.4 Climate Change / Carbon Clever – None

3.5 Risk – None

3.6 Gaelic - None

4. Introduction

- 4.1 This report is produced in support of the Council's corporate governance process. The purpose of the report is to advise members of the anticipated financial position against the agreed budget at the end of financial year 2019/20. **Appendices 1 and 2** show both core and project income and expenditure to 31 July 2019, the predicted year end outturn and the predicted variance.
- 4.2 **Appendix 3** provides members with more detail on the Events Management Budget.
- 4.3 **Appendix 4** details the current status of capital projects.

5. Overview

- 5.1 **Appendix 1** shows core revenue expenditure for the year of £2.396m to be met by revenue income of £2.397m (including a transfer from Reserves of £0.239m). At this early stage in the financial year core spend is expected to be on budget.
- 5.2 **Appendix 2** shows project spend of £2.071m to be funded fully from reserves. Again, given the early stage in the financial year expenditure on projects is anticipated to come in on budget.
- 5.3 Any further requests for additional funding or new initiatives requiring funding will be brought to subsequent meetings of this committee for approval.

6. Capital Projects

- 6.1 **Appendix 4** details the current status of capital projects.

Designation: Inverness City Area Manager

Date: 12 August 2019

Author: David Haas

Background Papers:

**APPENDIX 1
MONITORING STATEMENT 2019/20
INVERNESS COMMON GOOD FUND CORE SPEND
FOR PERIOD ENDING 31 JULY 2019**

	ACTUAL YEAR TO DATE	ANNUAL BUDGET	ESTIMATED OUTTURN	ESTIMATED VARIANCE	
	£000	£000	£000	£000	
EXPENDITURE					
Victorian Market Maintenance	4	48	48	0	
Victorian Market Operations	54	193	193	0	
Victorian Market Management	16	49	49	0	
Town House Maintenance	4	100	100	0	
1-5 Church Street Maintenance	0	20	20	0	
Other Properties	29	104	104	0	
Civic and Conference Hospitality	37	132	132	0	
Ness Islands & Bank Maintenance	0	35	35	0	
River Ness Fishings	0	20	20	0	
Festive Lights	0	73	73	0	
Town Twinning	3	9	9	0	
Winter Payments	0	142	142	0	
Inverness Common Good Fund Grants	74	540	540	0	
Conference Support	0	42	44	2	Completed
City Promotions	6	68	68	0	
Disabled Go Project (2013-18)	0	0	0	0	
Castle Wynd Conveniences	3	23	23	0	
Partnership Working	53	112	112	0	
Events & Festivals	75	340	340	0	
CCTV	0	90	90	0	
Property Management Fees	0	140	140	0	
Central Support Charge	5	80	80	0	
Inverness Steeple	0	10	10	0	
Commemorative Bedding	0	8	8	0	
Investment Advisor Fees	0	10	10	0	
Press & Public Relations	0	10	10	0	
TOTAL EXPENDITURE	364	2,396	2,398	2	
FUNDED BY:					
Rents & Lettings					
Industrial Estates	613	1530	1530	0	
Victorian Market	80	249	249	0	
Town House	3	241	241	0	
1-5 Church Street	35	75	75	0	
Other Properties	12	42	42	0	
Other Income					
Fishing Assessment Dues	0	20	20	0	
Benevolent Funds	0	0	0	0	
Contribution to Grants from Reserves	0	225	225	0	
Contribution to Conference Support from Reserves	0	2	2	0	
Contribution to City Promotions from Reserves	0	13	13	0	
VAT on Management Fees	0	0	0	0	
Interest on Revenue Balances	0	1	1	0	
TOTAL FUNDING	743	2397	2397	0	
AVAILABLE TO FUND PROJECT SPEND	379	1	(1)	2	

**APPENDIX 2
MONITORING STATEMENT 2019/20
INVERNESS COMMON GOOD FUND PROJECT SPEND
FOR PERIOD ENDING 31 JULY 2019**

	ACTUAL YEAR TO DATE	ANNUAL BUDGET	ESTIMATED OUTTURN	ESTIMATED VARIANCE
	£000	£000	£000	£000
PROJECT SPEND				
Town House Refurbishment - Phase 2	2	0	-2	(2)
Town House Refurbishment - Phase 3	457	1800	1800	0
Ness Islands - Structural Maintenance Programme	0	0	0	0
Victorian Market - Shop Front Redesign	4	150	150	0
Victorian Market -Academy St Entrance	4	12	12	0
Cavell Gardens Improvement Works	1	5	5	0
Town House - Civic Floor	0	40	40	0
Whin Park Improvement Works	0	39	39	0
Victorian Market - Market Hall Improvements	0	25	25	0
TOTAL	468	2071	2069	(2)
FUNDS AVAILABLE FOR PROJECT SPEND	379	1	(1)	2
BALANCE TO BE FUNDED BY RESERVES	(88)	(2,070)	(2,070)	0

When will grant be received?

APPENDIX 3
Events and Festivals Budget Monitoring
FOR PERIOD ENDING 31 JULY 2019

	ACTUAL
	YEAR TO DATE
	£
Income	
Grants	0
Income	(44,672)
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	(44,672)
Expenditure	
Council Staff	0
Entertainers	16,028
Equipment	36,726
Event Office	32,887
Licences	0
Marketing	33,153
Security and First Aid	1,195
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	119,989
Net Total	75,317

Capital Projects Funded by Inverness Common Good Fund

1 General

- 1.1 This appendix provides project status information for current key capital projects funded by the Inverness Common Good Fund, including financial progress details, as of 12 August 2019.

2 Capital Programme Update

- 2.1 The current status of each individual project is summarised below.

2.4 Conservation of External Fabric Phase 3, Town House, Inverness

- 2.4.1 Acceptance letter issued on the 23 July 2018. Work commenced on site on 10 September 2018 and the planned completion date is 11 September 2020.

Works are progressing well and on programme.

Decant arrangements for the next phase is currently being arranged.

Additional works to part of the Castle Street elevation has been instructed and the additional costs will be used from the contract contingencies. It should be noted that if any further large additional items are found then additional funding may be required.

Agreed Total Common Good Funding	£3,204,083.57
Anticipated Final Account	£3,204,083.57

2.5 Victorian Market, Academy Street Entrance Upgrade

- 2.5.1 Approval has been given for the stonework repairs to the Academy Street Entrance and work was to commence on site in July, after discussion it was agreed to delay the works until after the schools have returned, the work will take approximately 6 weeks.

The Inverness Townscape Heritage Project has awarded a Grant of £30,256 towards the cost of the project. The Common Good Fund will fund the remaining costs which amounts to £20,147.60

Agreed Total Common Good Funding	£20,147.60
Third Party Funding	£30,256.00
Total Project Costs	£50,403.60
Anticipated Final Account	£50,403.60

2.6 Civic Floor Male Toilet Refurbishment, Inverness Town House

- 2.6.1 Refurbishment drawings and tender documentation has been completed, tender costs have been received and are over budget, after looking at the

tender costs further quotations will be sought. Once costs have been agreed Discussions with Civic Officer will be held to arrange an appropriate time for the works to take place as the toilets will be out of use for a period of four to six weeks.

3. Governance

- 3.1 These projects are funded by the Inverness Common Good Fund and monthly Contract Monitoring reports will be issued to the Inverness City Manager, in line with governance arrangements.