

Agenda Item	6
Report No	N/15/19

THE HIGHLAND COUNCIL

Committee: Nairnshire Committee

Date: 11 September 2019

Report Title: Nairn Common Good Fund

Report By: Acting Head of Policy

1. Purpose/Executive Summary

- 1.1 This report provides information on income and expenditure in relation to the Nairn Common Good Fund (NCGF) for period April to June 2019, and also provides an update on current NCGF issues.

2. Recommendations

2.1 Members are asked to:

- i. Scrutinise and note the position of the NCGF at the end of the first quarter
- ii. Note the progress of the Links Project Phase 1 and agree in principle to the allocation of £100,000 from the Common Good Loans Fund account towards this project. This is subject to the confirmation of other funding and a business case.
- iii. Agree that a full business case be developed and reported to the next meeting of the Nairnshire Committee and that all practicable steps will be taken to maximise third party funding opportunities.
- iv. Agree the proposal to dispose of an area of Common Good land to the Nairn Sailing club for use by the Nairn Rowing Club noting the outcome of community consultation and permission having been granted by the Sherriff Court.

3. Implications

- 3.1 Resource – in recent years expenditure has been kept to a minimum in order to build reserves for future projects or development of Common Good Assets. The paper proposes to allocate £100,000 in principle towards phase 1 of the Links Development Project. Whilst this will utilise the majority of the £120,000 available within the Loans Fund, it will support the development of a key Common Good asset and take forward recommendations of the Links Development Plan agreed in June 2019.

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- 3.2 Legal – the application of funds will fall within the competency guidelines set out both in statute and common law in relation to Common Good funds.
- 3.3 Community (Equality, Poverty, Rural and Island) – a community consultation has been carried out to gather views on the proposal disposal of NCGF land. Extensive consultation was undertaken on the Links Development Plan and the phase 1 project was the most popular of the proposals with the public.
- 3.4 Climate Change / Carbon Clever – none
- 3.5 Risk – none
- 3.6 Gaelic – none

4. Quarter 1 Monitoring Statement

- 4.1 A monitoring statement showing transactions against budget to end of June 2019 and the estimated year end position is attached at **Appendix 1**.

4.2 Income

Income received to date is on target and within budget and comes largely from property rentals. Lettings income comes principally from the Nairn Highland Games and comprises annual income from the Showmen's Guild, the hospitality tent and stalls.

The estimated outturn remains as is and will be updated for the Quarter 2 monitoring report.

4.3 Expenditure

Expenditure to date has been minimal and relates largely to first quarter charges for electricity and water for the Pavilion and Links area. The insurance paid for Common Good property is also shown. Under Legal Expenses spend relates to searches carried out in support of the recent consultation process on the proposal to dispose of an area of Common Good land to the Nairn Sailing Club for use by the Nairn Rowing Club.

It should be noted that costs for the share of charges for the Common Good Funds Officer post and for support from Corporate Resources will be shown under Central Support. Spend to date is in line with budget.

5. Links Development Project

- 5.1 The Links Development Plan was adopted by this committee in June 2019. It was agreed to form a Project Team and Steering Group to develop a phase 1 project plan for the Links and that this would focus initially on redevelopment of the paddling pool site. The redevelopment of the paddling pool site with a splash pad activity area was found to be the most popular with the public through the development plan consultation.
- 5.2 A steering group has now been formed including officer and Member representation from Highland Council and community representation from Team Hamish, Nairn BID and Nairn Improvement Community Enterprise (NICE). The project will be managed by the Council's Project Design Team.

5.3 **The Concept**

Work has been ongoing to develop the concept of a replacement for the existing Links paddling pool with a splash pad activity site. It is proposed that the splash pad would be sited on the existing footprint of the paddling pool and the perimeter fence retained. The splash pad will have a longer use across the season than the existing paddling pool but will require to be switched off and drained over the main winter months. The plant required to operate the splash pad would be sited in the existing hut and no further infrastructure would be required

5.4 **Maintenance**

The existing cost to the Common Good for the paddling pool is £6,171.90, paid to High Life Highland, the majority of which are staffing costs for a three month operational period. In addition, the annual maintenance costs are around £500 and annual repairs are normally between £750 and £1000. Given the age of the paddling pool, more significant repairs are occasionally required – the latest in 2016 – which equated to £11,770.

5.5 The splash pad would not require the same supervision requirements although daily checks of the equipment would be required. In terms of maintenance, annual jet washing of the rubber surface would be required, the costs of which are estimated to be £1,200. It is recommended that in order to preserve the equipment and paintwork, the equipment is removed at the end of the season and stored over the winter months. Council officers can be trained to undertake this work. There would be a cost associated with this which has not been quantified at the current time but is anticipated to be of low value. External maintenance contracts are available, however the costs associated with this are high and there it is recommended, given that the work required is uncomplicated, it would be more cost effective to maintain in-house.

5.6 In addition, it is predicted that the rubber matting of the splash pad would require to be replaced every 3-5 years, although this will vary per site. On this basis, it is estimated that £2,650 should be budgeted for annually towards the replacement rubber for when required. The lifetime guarantee for the splash pad equipment is 25 years therefore consideration would be required to identify sources of income to contribute towards this replacement in the fulness of time.

5.7 In total, a minimum of £3,850 is anticipated annually for maintenance with the costs associated with staffing checks and removal of equipment at the end of the season still to be quantified. Work to take this forward will be considered as part of the detailed business case.

5.8 **Commissioning**

A preferred supplier has been identified and work is underway regarding the routes for commissioning. As part of this process a draft design is being produced. The total cost of the splash pad and fitting is estimated to be £210,000.

£15,000 has been budgeted for project management costs associated with the project for 19 / 20 and this will be reviewed on an ongoing basis. Once funding is in place, commissioning of the project can progress.

5.9 **Funding**

Members are being asked today to allocate £100,000 in principle towards the project from Common Good Funds. The project will only commence once Members have approved a detailed business case and the further sources of funding have been identified. The business case will include full details of the maintenance costs and

appropriate impact assessment. The Steering Group, including third sector partners, are currently exploring what additional funding routes may be available and this includes funding from Team Hamish. Once in place, a further report will be brought asking the Committee to agree to the project commencing and the spend of £100,000 from the Common Good funds.

6. Proposal to dispose of an area of Common Good land to the Nairn Sailing Club for use by the Nairn Rowing Club

- 6.1 Members were briefed in February 2019 on the proposal to dispose of an area of Common Good land to the Nairn Sailing Club for use by the Nairn Rowing Club. This was the first NCGF request for a land transaction to be dealt with under the requirements of section 104 of the Community Empowerment (Scotland) Act 2015.
- 6.2 Public consultation commenced on 28 February 2019 and concluded on Friday 26 April 2019. Two responses were received, and both were in support of the proposal.
- 6.3 As the area of land was considered to be inalienable, it was deemed necessary to apply to the Sheriff Court for permission to dispose of the land by lease. This was heard at the Sherriff Court on 14th August and permission to dispose of the land by lease was granted.
- 6.4 Members are now asked to consider the outcome of the consultation (**Appendix 2**), and subsequent court approval to dispose of the area of land referred to at 6.1, and agree to proceed with a lease with the Nairn Sailing club for use by the Nairn Rowing Club.

Designation: Acting Head of Policy

Date: 29 August 2019

Author: Alison Clark, Acting Head of Policy
Liz Cowie, Ward Manager

Background Papers:

Appendix 1 – Quarterly Monitoring

Appendix 2 – Consultation Response

**Nairn Common Good - Quarterly Monitoring
Period to 30 June 2019**

APPENDIX 1

	Actual to date £	Annual Budget £	Estimated Outturn £	Variance £
INCOME				
Rents	50,030	106,000	106,000	0
Lettings	5,455	12,000	12,000	0
Miscellaneous Income	0	250	250	0
	<u>55,485</u>	<u>118,250</u>	<u>118,250</u>	<u>0</u>
TOTAL INCOME	<u><u>55,486</u></u>	<u><u>118,250</u></u>	<u><u>118,250</u></u>	<u><u>0</u></u>
EXPENDITURE				
Property Costs	33	55,500	55,500	0
Electricity	69	1,000	1,000	0
Water charges	437	750	750	0
Rents, Rates and Insurance	55	3,550	3,550	0
Central support	0	10,000	10,000	0
Advertising	0	250	250	0
Legal Expenses	125	1,000	1,000	0
Project Costs - Links Development	0	15,000	15,000	0
TOTAL EXPENDITURE	<u>719</u>	<u>87,050</u>	<u>87,050</u>	<u>0</u>
Income less Expenditure	<u><u>54,767</u></u>	<u><u>31,200</u></u>	<u><u>31,200</u></u>	<u><u>0</u></u>

NAIRN COMMON GOOD**CONSULTATION ON PROPOSAL TO DISPOSE OF AN AREA OF LAND BY LEASE TO NAIRN SAILING CLUB****REPRESENTATIONS AND RESPONSES****Representations**

The Council received a total of 2 responses both of which were in support of the proposal. No additional issues were raised in the representations.

DECISION

On 2 May 2019 the Local Council Members for Nairn considered the representations received within the consultation process and made a decision to proceed with the proposal in the form stated in the consultation document.

As this land is considered to be inalienable, it is also necessary to seek the permission of the Sheriff Court and the Members confirmed that the appropriate Court action should be commenced.

NAIRN COMMON GOOD – PROPOSAL TO DISPOSE OF AN AREA OF LAND BY LEASE TO NAIRN SAILING CLUB**ANALYSIS, RECOMMENDATION AND NEXT STEPS****Analysis**

The public consultation period pursuant to section 104 Community Empowerment (Scotland) Act 2015 concluded on Friday 26 April 2019. Two responses were received during this period and both were in support of the proposal.

Recommendation

The proposal should now be referred for a decision following the conclusion of the public consultation period. In light of the level of support, a decision to proceed with the proposal in its current form would be appropriate and for the required application to be made to Inverness Sheriff Court (see below).

Next steps

As we believe this area of land to be inalienable, it will be necessary to apply to Inverness Sheriff Court for permission to dispose of the land by lease. The required form of application is being drafted. It will be necessary to advertise the Court application in an appropriate newspaper and on the Walls of Court. Any person wishing to oppose has 21 days following the advertisements to lodge answers at Court.