

<b>Agenda Item</b>	<b>9a</b>
<b>Report No</b>	<b>CIA/56/19</b>

## **THE HIGHLAND COUNCIL**

**Committee:** City of Inverness Area Committee

**Date:** 21 November 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 October 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 October 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 October 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 £2.386m to be met by revenue income of £2.397m (including a transfer from Reserves of £0.239m). core spend is expected to be on budget.
- 5.2 **Appendix 2** shows project spend of £2.081m to be funded fully from reserves. 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: 07 November 2019

Author: David Haas

Background Papers:

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

	<b>ACTUAL YEAR TO DATE</b>	<b>ANNUAL BUDGET</b>	<b>ESTIMATED OUTTURN</b>	<b>ESTIMATED VARIANCE</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>EXPENDITURE</b>				
Victorian Market Maintenance	6	48	48	0
Victorian Market Operations	104	193	193	0
Victorian Market Management	29	49	49	0
Town House Maintenance	22	100	100	0
1-5 Church Street Maintenance	1	10	10	0
Other Properties	49	94	94	0
Civic and Conference Hospitality	81	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	152	152	0
Inverness Common Good Fund Grants	112	540	540	0
Conference Support	24	42	44	2
City Promotions	37	68	68	0
Disabled Go Project (2013-18)	0	0	0	0
Castle Wynd Conveniences	14	23	23	0
Partnership Working	98	112	112	0
Events & Festivals	119	340	340	0
CCTV	0	90	90	0
Property Management Fees	0	140	140	0
Central Support Charge	9	80	80	0
Inverness Steeple	0	10	10	0
Commemorative Bedding	6	8	8	0
Investment Advisor Fees	3	10	10	0
Press & Public Relations	0	10	10	0
<b>TOTAL EXPENDITURE</b>	<b>715</b>	<b>2,386</b>	<b>2,388</b>	<b>2</b>
<b>FUNDED BY:</b>				
<b>Rents &amp; Lettings</b>				
Industrial Estates	1009	1530	1530	0
Victorian Market	138	249	249	0
Town House	251	241	241	0
1-5 Church Street	54	75	75	0
Other Properties	31	42	42	0
<b>Other Income</b>				
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	2	0	0	0
Interest on Revenue Balances	0	1	1	0
<b>TOTAL FUNDING</b>	<b>1483</b>	<b>2397</b>	<b>2397</b>	<b>0</b>
<b>AVAILABLE TO FUND PROJECT SPEND</b>	<b>768</b>	<b>11</b>	<b>9</b>	<b>2</b>

**APPENDIX 2 ( Revised )  
MONITORING STATEMENT 2019/20  
INVERNESS COMMON GOOD FUND PROJECT SPEND  
FOR PERIOD ENDING 31st OCTOBER 2019**

	<b>ACTUAL YEAR TO DATE</b>	<b>ANNUAL BUDGET</b>	<b>ESTIMATED OUTTURN</b>	<b>ESTIMATED VARIANCE</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>PROJECT SPEND</b>				
Town House Refurbishment - Phase 3	893	1800	1800	0
Ness Islands - Structural Maintenance Programme	11	10	10	0
Victorian Market - Shop Front Redesign	22	150	150	0
Victorian Market -Academy St Entrance	42	12	52	40
Cavell Gardens Improvement Works	6	5	50	45
Town House - Civic Floor	0	40	40	0
Whin Park Improvement Works	4	39	39	0
Victorian Market - Market Hall Improvements	0	25	25	0
<b>TOTAL</b>	<b>978</b>	<b>2081</b>	<b>2166</b>	<b>85</b>
<b>FUNDS AVAILABLE FOR PROJECT SPEND</b>	<b>768</b>	<b>11</b>	<b>9</b>	<b>2</b>
<b>BALANCE TO BE FUNDED BY RESERVES</b>	<b>(210)</b>	<b>(2,070)</b>	<b>(2,157)</b>	<b>87</b>

**APPENDIX 3**  
**Events and Festivals Budget Monitoring**  
**FOR PERIOD ENDING 31st OCTOBER 2019**

	<b>ACTUAL</b>
	<b>YEAR TO DATE</b>
	<b>£</b>
<b>Income</b>	
Grants	-
Merchandise Income	- 3,104
Income	- 53,187
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	- 56,290
<b>Expenditure</b>	
Entertainers	29,337
Equipment	47,157
Event Office	27,956
Council Staff	10,270
Marketing	33,318
Licences	2,549
Security and First Aid	10,056
Events Merchandise	14,692
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	175,334
<b>Net Total</b>	<b>119,044</b>

## 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 7 November 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 completion date for is 11 September 2020.

Works are progressing well and on programme.

Decant arrangements for the next phase is currently being arranged. This has been more difficult than originally expected and more decants have been required than first anticipated.

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 The project is now complete and in the defects period. The Grant from the Townscape Heritage Fund (shown as Third-Party Funding, below) is in the process of being drawn down. This will address some of the variance shown on the Revenue Monitoring statement, taking account of the £12,000 Budget allocation from the Common Good Fund

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 and Facilities Team Leader 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.

Critical works on the external works package is currently being undertaken so this project will be put on hold until for these works are completed.

### **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 Area Manager, in line with governance arrangements.