

Agenda Item	7
Report No	ERA-16-20

HIGHLAND COUNCIL

Committee: Easter Ross Area Committee

Date: 05 November 2020

Report Title: Invergordon Common Good Fund – Quarter 2 monitoring report

Report By: Executive Chief Officer, Resources and Finance
Executive Chief Officer, Community and Places

1. Purpose/Executive Summary

- 1.1** This report presents the Quarter Two monitoring statement for the Invergordon Common Good Fund against the budget set for 2020/21. The report also provides a short update in relation to the Invergordon Town Hall.

2. Recommendation

- 2.1** This report asks Members to scrutinise and note:
- the Quarter 2 monitoring statement for the Invergordon Common Good Fund; and
 - the current position in relation to the Invergordon Town Hall.

3. Implications

- 3.1** Resource: The quarter two monitoring statement highlights predicted income and expenditure against the budget which is on target.
- 3.2** Legal: any disposal of Invergordon Town Hall would be carried out within the framework of the Community Empowerment Scotland Act 2015. The application of funds will fall within the competency guidelines set out both in statute and in common law in relation to Common Good Funds. The application of funds will comply with all financial regulations.

3.3 Equality, Poverty and Rural: due to the lack of income there is no community grants budget. Further community consultation would be required if any decision was taken to dispose of the Town Hall to the Invergordon and District Development Trust or, if they are not able to prepare a sufficiently robust business case, to any other party. There are no other equality, poverty or rural implications as a result of the report.

3.4 Risk: As noted previously to this committee, the Invergordon Town Hall requires significant refurbishment that cannot be accommodated within existing Common Good resources. It is for this reason that Members have agreed to consider disposing of the building via sale or long lease.

Climate Change / Carbon Clever, Gaelic: None

3.5

4. Quarter 2 Monitoring Statement

4.1 A monitoring statement showing transactions against the budget for the period to the end of September 2020 and the estimated year end position is attached at **Appendix 1**.

4.2 Income – No income has been received during the current financial year. Invergordon Town Hall is rented to Highlife Highland at an annual rent of £3,500 but this has not yet been received. A small amount of income in the form of interest on revenue balances is expected in the 4th quarter.

4.3 Expenditure – The only spend to date is the charge for the Invergordon Common Good Fund's share of Common Good Fund Officer costs. The property budget is set for minor essential repairs to the Town House and, as yet, none have been required.

4.4 The accounts for 2019/20 are not yet audited but will be brought to the next meeting of the Easter Ross Area Committee for approval. The unaudited usable reserves at 31/03/2020 for the Invergordon Common Good fund were £77,050.

5. The Invergordon Town Hall

5.1 Members will recall that the Invergordon & District Development Trust (IDDT) had developed an initial Business Plan for the Town Hall but this required some strengthening and the IDDT themselves recognised that an anchor tenant would be needed. It was therefore agreed that Members would continue to monitor and receive updates on the IDDT's progress prior to deciding on how to proceed. It is clearly an exceptionally difficult time for the IDDT to formulate a robust business plan and it is therefore suggested that the position should be reviewed again when the Quarter 3 monitoring report is brought for Members' consideration. At that time Members may wish to review what other external interest there might be in the property whether by lease or sale. It should be noted that further public consultation would be required should a future decision be taken to consider disposal of the Invergordon Town Hall to the IDDT or to any other party.

Designation: Liz Denovan, Executive Chief Officer, Resources and Finance and
Carron MacDiarmid, Executive Chief Officer, Community and Places

Date: 13 October 2020

Authors: Helen Ross, Senior Ward Manager, CSER
Jackie McLaughlin, Principal Accounting Technician

Quarter 2 Monitoring Statement
Period to end Sept 2020

Appendix
1

	Actual to date	Budget	Estimat ed Outturn	Variance
	£	£		£
Income				
Rents	0	3,500	3,500	0
Interest and investment income	0	300	300	0
Total Income	<u>0</u>	<u>3,800</u>	<u>3,800</u>	<u>0</u>
Expenditure				
Staff Costs	406	1,000	1,000	0
Property costs	0	2,000	2,000	0
Central Support	0	100	100	0
Total Expenditure	<u>406</u>	<u>3,100</u>	<u>3,100</u>	<u>0</u>
Income less Expenditure	<u>(406)</u>	<u>700</u>	<u>700</u>	<u>0</u>

Unaudited Usable Reserves 2019/20

£77,050